Consolidated financial statements for the year ended December 31, 2024

Balance sheet

(in € million)

Assets	Notes	12.31.2024	12.31.2023
Cash, due from central banks	1	10,232	13,580
Financial assets at fair value through profit or loss	2	1,897	1,876
Derivatives used for hedging purposes	3	3,293	3,945
Financial assets at fair value through equity	4	11,648	8,929
Securities at amortized cost	5	1,548	671
Loans and receivables - credit institutions, at amortized cost	1	14,201	14,031
Loans and receivables - customers, at amortized cost	6	90,382	86,909
Remeasurement adjustement on interest-rate risk hedged portfolios		(1,761)	(2,647)
Investments related to insurance activities	7	63,417	60,425
Insurance contracts assets	21	0	0
Reinsurance contracts assets	21	163	217
Current tax assets	8	182	207
Deferred tax assets	9	176	174
Accruals, prepayments and sundry assets	10	1,059	1,488
Non-current assets held for sale		0	0
Investments in associates	11	246	239
Investment property	12	140	146
Property, plant and equipment	13	422	342
Intangible assets	14	721	620
Goodwill	15	463	474
TOTAL ASSETS		**198,429**	**191,625**

Liabilities	Notes	12.31.2023	12.31.2022
Due to central banks	16	0	0
Financial liabilities at fair value through profit or loss	17	2,769	2,737
Derivatives used for hedging purposes	3	3,066	3,480
Debt securities	18	25,943	24,443
Due to banks	16	4,309	6,748
Liabilities to customers	19	89,241	85,081
Remeasurement adjustment on interest-rate risk hedged portfolios		(890)	(1,269)
Current tax liabilities	8	52	88
Deferred tax liabilities	9	317	303
Accruals, deferred income and sundry liabilities	20	6,088	5,100
Liabilities associated with non-current assets held for sale		0	0
Insurance contracts liabilities	21	55,001	52,679
Reinsurance contracts liabilities	21	0	0
Provisions	22	259	251
Subordinated debt	23	2,343	2,272
Total equity		**9,931**	**9,713**
Shareholders' equity, group share		9,918	9,704
Share capital and additional paid-in capital	24	3,045	2,894
Consolidated reserves	24	6,835	6,506
Gains and losses recognized directly in equity	25	(358)	(114)
Net income for the year		395	417
Non-controlling interests		13	9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**198,429**	**191,625**

Consolidated financial statements for the year ended December 31, 2024

Income statement

(in € million)

Income statement	Notes	12.31.2024	12.31.2023
Interest and similar income	29	5,030	4,425
Interest and similar expense	29	(4,403)	(3,757)
Commission income	30	909	796
Commission expense	30	(228)	(207)
Net gain (loss) on financial instruments at fair value through profit or loss	31	101	113
Net gain (loss) on financial instruments at fair value through equity	32	12	19
Net gain (loss) on derecognition of financial instruments at amortized cost	33	0	0
Net income from insurance activities	34	497	503
Income from insurance contracts issued		1,180	1,140
Expenses from insurance contracts issued		(715)	(764)
Income and expenses from reinsurance held		(47)	47
Net income on investments related to insurance activity		1,614	2,995
Net financial income or expenses from insurance contracts issued		(1,539)	(2,917)
Net financial income or expenses from reinsurance contracts held		3	1
Income from other activities	35	338	332
Expense from other activities	35	(87)	(84)
NET BANKING INCOME		**2,168**	**2,140**
Gains (losses) on disposal - dilution in investments in associates	36	15	0
NET BANKING INCOME including gains (losses) on disposal - dilution in investments in associates		**2,184**	**2,140**
General operating expenses	37	(1,416)	(1,412)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	38	(85)	(125)
GROSS OPERATING INCOME		**682**	**602**
Cost of credit risk	39	(180)	(94)
OPERATING INCOME		**502**	**508**
Share in net income of equity-accounted associates and joint ventures	11	10	15
Gains (losses) on other assets	40	(1)	30
Changes in goodwill		(11)	(11)
PRE-TAX INCOME		**500**	**542**
Income tax	41	(100)	(124)
NET INCOME		0	0
NET INCOME		**400**	**419**
O/w non-controlling interests		4	2
NET INCOME - GROUP SHARE		**395**	**417**

Statement of net income and gains and losses recognized directly in equity	Notes	12.31.2024	12.31.2023
Net income		**400**	**419**
Revaluation of financial assets at fair value through recyclable equity (net of taxes)		(59)	3
Revaluation of available-for-sale financial assets (net of taxes)		0	0
Revaluation of derivatives used to hedge recyclable items (net of taxes)		0	0
Remeasurement of insurance and reinsurance contracts in recyclable equity		4	38
Share of gains (losses) recognized directly in equity from investments in associates (net of taxes)		(5)	(1)
Items to be recycled to profit or loss		**(60)**	**39**
Actuarial gains (losses) on defined benefit plans (net of taxes)		0	(1)
Revaluation of credit risk specific to financial liabilities recognized at fair value through profit or loss by option (net of taxes)		(3)	(11)
Revaluation of equity instruments at fair value through equity (net of taxes) (1)		(180)	(72)
Remeasurement of equity instruments recognised at fair value through equity of the insurance business		(1)	(12)
Impacts of the remeasurement of insurance contracts using the VFA - non-recyclable		0	0
Share of gains (losses) recognized directly in equity from investments in associates (net of taxes) not recycled to profit or loss		0	0
Items not to be recycled to profit or loss		**(184)**	**(96)**
Total gains and losses recognized directly in equity	**42**	**(244)**	**(57)**
NET INCOME AND GAINS AND LOSSES RECOGNIZED DIRECTLY IN EQUITY		**156**	**362**
of which group share		151	360
of which non-controlling interests		5	2

(1) of which the impact of the transfer to reserves of non-recyclable items for €2 million.

CHANGES IN SHAREHOLDERS’ EQUITY
(in € million)

	Share capital and reserves	Consolidated reserves	Total gains and losses recognized directly in equity	Net income attributable to equity holders of the parent	Shareholders' equity, group share	Non-controlling interests in equity	Total equity
Position at January 1, 2023	2,725	5,905	(57)	663	9,236	7	9,243
Capital increase	169				169		169
Cancellation of treasury shares							
Allocation of the previous year income		663		(663)			
Dividend paid in 2023 in respect of 2022		(60)			(60)		(60)
Change in equity interests in subsidiaries with no loss of control							
Subtotal of changes involving transactions with shareholders	2,894	6,508	(57)	0	9,345	7	9,352
Changes in gains and losses recognized directly in equity		(6)	(57)		(63)		(63)
2023 net income				417	417	2	419
Subtotal	2,894	6,502	(114)	417	9,699	9	9,708
Impact of acquisitions and disposals on non-controlling interests							
Share of changes in shareholders’ equity from investments in associates and joint ventures							
Change in accounting methods							
Other changes		4			4		4
Position at December 31, 2023	2,894	6,506	(114)	417	9,703	9	9,712
Capital increase	151				151		151
Allocation of the previous year income		417		(417)			
Dividend paid in 2024 in respect of 2023		(87)			(87)		(87)
Subtotal of changes involving transactions with shareholders	3,045	6,836	(114)	0	9,767	9	9,776
Changes in gains and losses recognized directly in equity			(244)		(244)		(244)
2024 net income				395	395	4	399
Subtotal	3,045	6,836	(358)	395	9,918	13	9,931
Other changes		(1)			(1)		(1)
Position at December 31, 2024	3,045	6,835	(358)	395	9,917	13	9,930

Net cash flow statement

(in € million)

	12.31.2024	12.31.2023
Cash flows from operating activities		
Net income	400	419
Tax	100	124
Pre-tax income	**500**	**542**
Depreciation and amortization of property, plant and equipment and intangible assets	123	168
Impairment of goodwill and other non-current assets	10	11
Net additions to depreciations	130	(39)
Share of income (loss) from investments in associates	(11)	(15)
Net loss (gain) from investing activities	(23)	61
(Income)/expense from financing activities	0	0
Other changes	3,650	3,594
Total non-cash items included in net income and other adjustments	**3,879**	**3,780**
Interbank transactions	(2,410)	(10,067)
Transactions with customers	440	(2,423)
Transactions involving other financial assets/liabilities	(7,086)	(3,645)
Transactions involving other non-financial assets/liabilities	1,227	(647)
Dividends from investments in associates	7	5
Taxes paid	(58)	(87)
Net decrease/(increase) in operating assets and liabilities	**(7,879)**	**(16,865)**
NET CASH FLOW FROM OPERATING ACTIVITIES	**(3,500)**	**(12,542)**
Cash flows from investing activities		
Financial assets and investments	(1,989)	(103)
Investment property	7	(75)
Property, plant and equipment and intangible assets	(253)	(247)
Other	0	0
CASH FLOWS FROM INVESTING ACTIVITIES	**(2,234)**	**(425)**
Cash flows from financing activities		
Cash flows from/to shareholders	94	133
Other cash flows from financing activities	2,285	2,861
CASH FLOWS FROM FINANCING ACTIVITIES	**2,379**	**2,994**
Net increase/(decrease) in cash and cash equivalents	**(3,355)**	**(9,973)**
Cash flows from operating activities	(3,500)	(12,542)
Cash flows from investing activities	(2,234)	(425)
Cash flows from financing activities	2,379	2,994
Cash and cash equivalents, beginning of the year	**13,518**	**23,490**
Cash, central banks (assets & liabilities)	13,577	23,452
Deposits (assets and liabilities) and demand loans with credit institutions	(59)	38
Cash and cash equivalents, end of the year	**10,163**	**13,518**
Cash, central banks (assets & liabilities) (Notes 1 and 16)	10,232	13,577
Deposits (assets and liabilities) and demand loans with credit institutions (Notes 1; 7c and 16)	(69)	(59)
CHANGE IN NET CASH AND CASH EQUIVALENTS	**(3,355)**	**(9,973)**

The cash flow statement is presented using the indirect method.

Net cash and cash equivalents includes cash, debit and credit balances with central banks and demand debit and credit sight balances with banks.

Changes in cash flow from operations record the cash flow generated by the group’s activities, including such flows arising from negotiable debt securities.

Changes in cash from financing activities include changes related to shareholders’ equity and subordinated debt.

Non audited Notes

Consolidated financial statements for the year ended December 31, 2024

HIGHLIGHTS OF THE YEAR

In an uncertain environment, the year 2024 remained under pressure. Modest growth and the beginnings of monetary easing led to a gradual recovery in housing loan production.

Thanks to solid sales activity across all business lines, the group's revenues increased by €44 million to €2,184 million, driven in particular by a 16% increase in commissions. Net insurance income was stable despite adverse conditions that continue to weigh on property and personal insurance.

Operating expenses fell by €36 million to €1,501 million, due in particular to the measures of the group's operational efficiency programme. The cost/income ratio, at 68.8%, benefited from this positive scissors effect.

At €180 million, the cost of risk was up €86 million as a result of the increase in proven risk, particularly in the business sector, which has seen a sharp rise in failures.

Taking into account the value in use of its Crédit Foncier Commercial d'Alsace Lorraine subsidiary, Crédit Mutuel Arkéa recorded goodwill impairment of €11 million at 31 December 2024.

In summary, net profit attributable to group in 2024 was €395 million.

Noting the loss of significant influence in its associate Yomoni, the group deconsolidated the holding, which was previously consolidated using the equity method. The valuation exercise carried out by the group led to the recognition in revenues of €15 million of income in 2024.

Pumpkin and Arkéa were removed from the consolidation scope following a universal transfer of assets to Crédit Mutuel Arkéa. Arkéa Foncière Résidentielle, created to market the innovative home ownership assistance offering for first-time buyers, joined the consolidation scope.

The new asset management company, Arkéa Asset Management, which resulted from the merger of Federal Finance Gestion and Schelcher Prince Gestion in the second half of 2024, is fully consolidated.

ACCOUNTING STANDARDS APPLIED

Pursuant to European Regulation 1606/2002 of July 19, 2002 on the application of international standards, Crédit Mutuel Arkéa group prepared its summary consolidated financial statements for the period ending December 31, 2024 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable as of that date[1].

At December 31, 2024, the group applied the standards in force as at January 1, 2024 and adopted by the European Union. The group chose to forgo early application of other standards and interpretations adopted by the European Union whose application was optional in 2024.

The group has elected to publish its Annual Financial Report 2024 using the European Single Electronic Format (ESEF) as defined by the European Delegated Regulation 2019/815 amended by the Delegated Regulation 2020/1989.

Amendments effective from 1 January 2024

Amendment to IFRS 16 – Lease liability in a Sale and Leaseback

A sale-leaseback is a transaction in which the owner of an asset transfers it to a third party and then leases it back.

When the transfer of the asset is recognised as a sale under IFRS 15 (i.e. the buyer-lessor has control of the underlying asset), the seller-lessee recognises a right to use the asset representing the retained right (and also recognises a lease liability reflecting the terms of payment of the transaction). The profit or loss on the sale will only be recognised in the amount of the rights actually transferred to the buyer-lessor.

The amendment aims to clarify, on the seller-lessee side, the subsequent treatment of the liability resulting from such a transaction when the initial sale of the underlying asset meets the criteria of IFRS 15.

The Crédit Mutuel Arkéa group was not impacted by the entry into force of this amendment.

[1] The standards adopter by the European Union are available on the European Commission's website : https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing_en

ACCOUNTING PRINCIPLES AND VALUATION METHODS

The group has applied IFRS 9 “Financial Instruments” and the amendment to IFRS 9 "Prepayment clause providing for negative compensation" adopted by the European Union on November 22, 2016 and March 22, 2018 respectively for its banking insurance activities.

For its insurance activities, the group applies IFRS 17 “Insurance Contracts” published in May 2017 and amended in June 2020 and adopted by the European Union in November 2021, which replaces IFRS 4 “Insurance Contracts”.

Use of judgments and estimates in the preparation of financial statements

Preparation of the group’s financial statements requires making assumptions and estimates whose future realisation involves certain risks and uncertainties.

Future outcomes may be influenced by several factors, in particular:

- the activities of national and international markets,
- changes in interest rates and exchange rates,
- the economic and political climate in certain business sectors or countries,
- climate and environmental changes,
- changes in regulations or legislation.

Accounting estimates requiring the formulation of assumptions are used mainly for measurement of the following:

- fair value of financial instruments not quoted on an active market and measured at fair value,
- impairment of financial assets and guarantee and financing commitments subject to impairment,
- the discounted and probabilistic valuation of insurance liabilities and assets by group of contracts,
- impairment tests of intangible assets,
- deferred tax assets,
- provisions.

The conditions for using judgments or estimates are specified in the accounting principles and valuation methods described below.

- Description of the baseline economic scenario

The conditions for using any judgements or estimates are specified in the accounting policies and valuation methods described below. The baseline economic scenario used for the 31 December 2024 closing is based on the main assumptions below.

The central economic scenario for 2025, validated in September 2024, is based on a downward revision of the growth outlook of the CAC 40 and an upward revision of the long-term rate outlook.

For FY 2024, growth estimates have been revised upwards (average annual growth of 1.2%), reflecting in particular the positive contribution of the Olympic Games and a positive contribution of foreign trade. However, a reversal is expected in the fourth quarter that will last until early 2025, again leading to weak growth for 2025 as a whole (1% in 2025 vs. 1.2% in the central scenario in March).

In addition to the impact of the Olympic Games, these revisions reflect (i) an increase in the risk premium associated with French debt following the dissolution of the National Assembly and budgetary concerns, and (ii) an environment of budgetary restraint which the government is forced to implement.
The central economic scenario used for the 2024 closing is therefore based on a 10-year constant maturity rate of 2.96% in 2024 and 2.91% in 2025 (vs. 2.87% and 2.81% previously). The spread between French and German rates also increased to 70 basis points (bps), from 60 bps previously.

As a result of this less favourable growth outlook and these slightly more restrictive financing conditions, CAC 40 growth projections were also revised downwards for 2024 and 2025.

However, the fundamental elements of the scenario remain unchanged. The central economic scenario still describes a sustainable convergence of inflation towards the 2% target, which allows (i) the European Central Bank to further lower its key rates, and (ii) a gradual recovery in domestic demand against a backdrop of increased purchasing power and renewed confidence. In this context, the ECB's deposit rate is adjusted by 25 bps on a quarterly basis until it reaches an equilibrium rate of 2.25% at the end of 2025.

Since the definition of the central economic scenario forecasts, macroeconomic conditions have deteriorated more than expected and suggest: (i) lower growth in France and the eurozone in 2025, (ii) a move towards consolidation of the CAC 40 in early 2025, (iii) a slightly larger and faster decrease in the ECB's key rates, and (iv) a more significant widening of French rates compared with German rates.

Activity therefore remained constrained in the second half of 2024. The increase in purchasing power did not result in a recovery in domestic demand. Confidence remained weak, which prompted a wait-and-see attitude, while political uncertainties (French budget, German elections in February) and geopolitical uncertainties (related to the election of Donald Trump) increased.

US long-term bond yields have risen sharply since September, reflecting in particular (i) the prospect of a Trump Administration policy leading to higher inflation in the United States and an increase in financing needs, and (ii) a very significant shift in expectations regarding changes to the monetary policy of the Federal Reserve, which will only lower its rates to a very limited extent in 2025 based on market expectations. European long-term rates rose in line with US rates, despite a more negative economic environment than previously expected. French rates were also affected by the government's inability to formulate a budget. At the end of December, the French 10-year yield stood at 3.2%, with a spread of around 85 bps against Germany. Under these circumstances, the CAC 40 finished the year lower than the central scenario projections and is expected to consolidate at around 7,500 points in the first half of the year.

Beyond 2024-2025, the central climate scenario developed reflects the macroeconomic impacts of the implementation of transition policies (higher carbon prices and increased investment).

Over the projection horizon, these transition policies would result in:

- a slight drop in productivity and therefore in growth (-0.1 pp in potential growth),
- an inflationary effect (+0.5 pp), mainly linked to (i) tensions related to raw materials needed for the transition, and (ii) the implementation of carbon taxation policies,
- an upward revision of the ECB's equilibrium interest rate (+0.5 pt).

Financial instruments

IFRS 9 sets out different classification rules for equity instruments (shares or other variable-income securities) and for debt instruments (bonds, loans or other fixed-income securities).

To determine the accounting category of debt instruments (debt securities, loans and receivables), the following two criteria must be analysed:

- The business model that summarises the way in which the entity manages its financial assets in order to generate cash flows: "Collection of cash flows", "Collection of cash flows and sale" or "Other";
- Characteristics of cash flows that will be "SPPI – Solely payments of principal and interest" if they are cash flows from a basic loan and, more specifically, if "the contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding".

➢ Business models

The business model represents the way in which instruments are managed in order to generate cash flows and revenue. It is based on observable facts and not simply on management's intention. It is not assessed at the entity level, or on an instrument-by-instrument basis, but rather at a higher level of aggregation which reflects the way in which groups of financial assets are managed collectively. It is determined at inception and may be reassessed in the case of a change in model.

To determine the model, all the available information must be observed, including:

- the way in which the business's performance is reported to decision-makers,
- the way in which managers are compensated,
- the frequency, schedule and volumes of sales in previous periods,
- the reasons for the sales,
- future sales forecasts,
- the way in which risk is assessed.

Under the hold-to-collect model, certain examples of authorized sales are explicitly indicated in the standard:

- in relation to an increase in credit risk,
- close to maturity.

These "authorized" sales are not included in the analysis of the significant and frequent nature of the sales carried out on a portfolio. Moreover, sales related to changes in the regulatory or fiscal framework will be documented on a case-by-case basis to demonstrate the "infrequent" nature of such sales.
For other sales, thresholds have been defined based on the maturity of the securities portfolio (the group does not sell its loans).

The group has mainly developed a model based on the collection of contractual cash flows from financial assets, which applies in particular to the customer financing activities.

This model is also used by the insurance entities to manage their proprietary portfolio.

It also manages financial assets according to a model based on the collection of contractual cash flows from financial assets and on the sale of these assets. Within the group, the contractual cash flow collection and sale model applies primarily to the cash management and liquidity portfolio management activities.

➢ Cash flow characteristics

The contractual cash flows, which represent only repayments of principal and payments of interest on the principal balance, are compatible with a so-called basic agreement.
In a basic agreement, interest mainly represents consideration for the time value of money (including in case of negative interest) and credit risk. Interest may also include liquidity risk, administrative fees to manage the asset and a profit margin.

All the contractual clauses must be analyzed, including those that could change the repayment schedule or the amount of the contractual cash flows. The option under the agreement, on the part of the borrower or the lender, to repay the financial instrument early is compatible with the SPPI (Solely Payments of Principal and Interest) nature of the contractual cash flows insofar as the amount repaid essentially represents the principal balance and related receivables and, where applicable, a reasonable compensatory payment.

An analysis of the contractual cash flows may also require comparing them with those of a benchmark instrument when the time value of money component included in the interest can be changed as a result of the instrument's contractual clauses. This is the case, for example, if the interest rate of the financial instrument is revised periodically, but there is no correlation between the frequency of the revisions and the term for which the interest rate is defined (monthly revision of a one-year rate, for example), or if the interest rate of the financial instrument is revised periodically based on an average interest rate.

If the difference between the undiscounted contractual cash flows of the financial asset and those of the benchmark instrument is or may become significant, the financial asset cannot be considered basic.

Depending on the case, the analysis is either qualitative or quantitative. The materiality or immateriality of the difference is assessed for each fiscal year, and cumulatively over the life of the instrument. The quantitative analysis takes into account a set of reasonably possible scenarios.

For financial assets whose remuneration is indexed to the ESG criteria assigned by the group, an analysis is carried out to verify that the changes in expected cash flows reflect a change in credit risk that does not introduce any leverage.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss consist mainly of debt securities (fixed- or variable-income) and loans to credit institutions and customers:

- held for trading ("Resale" business model); or
- related to the application of the option made available under IFRS 9 to designate a financial instrument at fair value through profit or loss if doing so eliminates or significantly reduces an accounting treatment inconsistency; or
- whose cash flows do not correspond to those of a basic loan ("non-SPPI" cash flows); UCI (undertaking for collective investment) and mutual fund instruments will be recognized as such.

This option of recognition at fair value through profit or loss is applied to the underlying assets related to an insurance contract with direct participation features that pass the SPPI test.

By default, shares will also be recognized at fair value through profit or loss.

Financial assets at fair value through profit or loss are initially recognized at fair value excluding acquisition costs and including accrued dividends.
The accrued or earned income from fixed-income securities is recognized in the income statement under the heading “interest and similar income” according to the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash flows to the net carrying amount of the financial asset or liability. Dividends from variable-income securities are recognized in the income statement under the heading “Net gain (loss) on financial instruments at fair value through profit and loss.”
Changes in fair value during the period, at the reporting date, as well as capital gains or losses on assets in this category are also recognized in "Net gain (loss) on financial instruments at fair value through profit or loss".
No impairment is recognized on the assets at fair value through profit or loss, since the counterparty risk is included in the market value (fair value).

Derivative financial instruments used for trading and hedging purposes – assets and liabilities

In accordance with the option offered by IFRS 9 pending the finalization and adoption of the standard's macro hedging component, the Crédit Mutuel Arkéa group has decided not to adopt the Hedging component of IFRS 9 and continues to apply all the provisions of IAS 39 with regard to hedging.
However, the additional disclosures on hedging required by amended IFRS 7 are presented as of January 1, 2018.

Unless they qualify for hedge accounting, derivative financial instruments are by default classified as trading instruments.

The group deals mainly in simple derivative instruments (swaps, vanilla options), particularly interest-rate instruments and classified in level 2 of the fair value hierarchy.

Derivatives are covered by master netting agreements, which make it possible to net winning and losing positions in case of counterparty default. The group negotiates ISDA-type (International Swaps and Derivatives Association) master agreements for each derivative transaction.
However, these derivatives are not netted on the balance sheet, in accordance with IAS 32.
Through these collateralization agreements, the group receives or disburses only cash as guarantees.

IFRS 13 allows for the recognition of own credit risk when valuing derivative financial liabilities (debt value adjustment – DVA) and the measurement of counterparty risk in the fair value of derivative financial assets (credit value adjustment – CVA).

The group calculates the CVA and DVA on derivative instruments for each counterparty to which it is exposed.

The CVA is calculated on the basis of the group’s expected positive exposure to the counterparty, estimated using the so-called Monte Carlo method, multiplied by the counterparty’s probability of default (PD) and by the loss given default (LGD) rate. DVA is calculated on the basis of the group’s expected negative exposure to the counterparty, estimated using the so-called Monte Carlo method, multiplied by the group’s probability of default (PD) and by the loss given default (LGD) rate.

The calculation methodology uses market data, particularly on the credit default swap (CDS) curves to estimate the PD.

The Funding Valuation Adjustment (FVA) represents the cost of financing positions on derivative instruments that do not involve the transfer of collateral. The FVA calculation involves multiplying the group’s expected net exposure to all counterparties by the estimated market financing cost.

An amount of €5,7 million was recognized on the balance sheet for valuation adjustments as at December 31, 2024.

To classify a financial instrument as a hedging derivative, the group prepares formalized documentation of the hedging transaction at inception: hedging strategy, designation of the hedged instrument (or the portion of the instrument), nature of the hedged risk, designation of the hedging instrument, procedures for measuring the effectiveness of the hedging relationship.

According to this documentation, the group assesses the effectiveness of the hedging relationship at inception and at least every six months. A hedging relationship is deemed to be effective if:

- the ratio between the change in value of the hedging derivatives and the change in value of the hedged instruments for the risk hedged lies between 80 % and 125 %; and
- the changes in value of the hedging derivatives expected over the residual term of said derivatives offset those expected from the hedged instruments for the risk hedged.

The group designates a derivative financial instrument as a hedging instrument in a fair value hedge or in a cash flow hedge based on the nature of the risk hedged.

Risks hedged:

Micro-hedging is the hedging of part of the risks incurred by an entity on the assets and liabilities its holds. It applies specifically to one or more assets and liabilities with regard to which the entity hedges the risk of a negative change in a given type of risk, using derivatives.

Macro-hedging aims to protect all the group's assets and liabilities against unfavorable trends, particularly in interest rates.

The group hedges only interest rate risk for accounting purposes, through micro-hedges or more globally through macro-hedges.

Overall interest rate risk management is described in the management report, together with the other risks that may give rise to economic hedging through natural matching of assets/liabilities or the recognition of derivatives transactions.

Micro-hedges are implemented in particular via asset swaps and are generally aimed at synthetically converting a fixed-rate instrument into a variable-rate instrument.

Fair value hedging:

The goal of fair value hedging is to reduce the risk of a change in the fair value of a financial transaction. Derivatives are used notably to hedge the interest rate risk on fixed-rate assets and liabilities.

With respect to fair value hedging transactions, the change in fair value of the derivative is recorded on the income statement under the heading “Net gain (loss) on financial instruments at fair value through profit or loss” in symmetry with the revaluation of the hedged risk. The only impact on the income statement is the potential ineffectiveness of the hedge. This may result from:

- the “counterparty risk” component included in the value of the derivatives,
- differences in the price curves of the hedged item and of the hedge. For instance, swaps are valued using the Overnight Indexed Swap curve if they are collateralized and using the BOR curve if they are not. The hedged items are valued using the BOR curve.

The goal of the derivative financial instruments used as macro-hedging transactions is to hedge comprehensively all or part of the structural rate risk resulting primarily from retail banking operations. For the accounting treatment of such transactions, the group applies the provisions contained in IAS 39 as adopted by the European Union (the IAS 39 “carve-out”).

The accounting treatment of derivative financial instruments designated from an accounting standpoint as fair value macro-hedging is the same as the accounting treatment for derivatives used in fair value micro-hedging. The change in the fair value of portfolios hedged against interest rate risk is recorded in a separate line of the balance sheet entitled “Remeasurement adjustment on interest-rate risk hedged portfolios” with an offsetting entry recorded in the income statement. In accordance with IAS 39, the remeasurement is recognized in assets for the hedging of financial assets and in liabilities for the hedging of financial liabilities.
The effectiveness of hedges is checked prospectively by verifying that at inception derivatives reduce the interest rate risk of the hedged portfolio. Hedges must be de-designated when the underlyings to which they are linked become insufficient with effect from the most recent date on which the hedge was found to be effective.

The cash flow hedging and the hedging of net investments in foreign operations are not used by the group.

Financial assets at fair value through equity

Financial assets at fair value through equity consist of securities (fixed- or variable-rate):

- held in order to collect the cash flows inherent in the instrument and to generate gains and losses through sales; and
- whose cash flows correspond to those of a basic loan ("SPPI" cash flows).

Debt instruments at fair value through equity are initially recognized at fair value, i.e. their purchase price, including acquisition costs – if material – and accrued dividends. At the end of the reporting period, such securities are measured at their fair value, with any changes in value recognized in equity under “Unrealized gains (losses) recognized directly in equity”.

These unrealized gains or losses recognized in equity are recognized through profit or loss only in case of a sale or impairment for credit risk.
The accrued or earned income from fixed-income securities is recognized in the income statement under the heading “interest and similar income” according to the effective interest rate method.

This category also includes shares resulting from the application of the irrevocable option made available under IFRS 9 at the time of initial recognition. This irrevocable choice is made on a deal-by-deal basis, i.e. each time a security is added to the portfolio.
Impairment is not recorded for these assets.
The unrealized gains or losses on these instruments recognized in equity are never recognized through profit or loss for equity instruments, even in the case of a sale.

Dividends from variable-income securities are recognized in the income statement under the heading “Net gain (loss) on financial assets at fair value through equity”.

Financial assets at amortized cost

Financial assets at amortized cost meet the following criteria:

- they are held in order to collect the cash flows inherent in the instrument; and
- the cash flows correspond to those of a basic loan ("SPPI" cash flows).

Most of the loans and receivables owed to Crédit Mutuel Arkéa group by financial institutions and customers that are not intended for sale when extended are recognized under “Loans and receivables at amortized cost”.

Debt securities (fixed- or variable-rate) that meet the aforementioned criteria are also recognized at amortized cost.

Initially, they are recognized at market value which is usually the net amount initially paid out including the transaction costs directly attributable to the transaction and fees analyzed as an adjustment to the effective yield of the loan. Financial assets are valued at amortized cost on the closing date. Interest, transaction costs and fees included in the initial value of the loans are amortized over the life of the loan using the effective interest rate method. In this manner they contribute to the formation of income over the life of the loan.

With regard to loans, the fees received in connection with financing commitments that have a low probability of being drawn or which are used haphazardly over time and in terms of amount are spread on a straight-line basis over the term of the commitment.

The restructuring of a loan due to financial difficulties encountered by the borrower is defined as a change in the terms and conditions of the initial transaction that the group only consents for economic or legal reasons linked to the borrower’s financial difficulties.
For restructuring that does not result in de-recognition of the financial asset, the value of the restructured asset is adjusted to bring the net carrying amount to the present value of the new expected future cash flows discounted using the original effective interest rate of the asset in question. The change in the value of the asset is recognized in the income statement under the heading ”Cost of credit risk” and may be reversed through profit or loss when the provision for calculated expected loss decreases.

The restructuring of a loan as a result of the debtor’s financial difficulties results in the loan agreement’s novation. Based on the definition of this concept by the European Banking Authority (EBA), the Group identified loan restructuring (forbearance) on those loans held.

Changes in financial assets that are not made due to financial difficulties of the borrower (i.e. commercial renegotiations) are generally analyzed as the prepayment of the old loan, which is derecognized, followed by the introduction of a new loan at market terms.

Customer finance leases

Lease transactions are considered finance leases when all of the risks and rewards incidental to the ownership of the leased property are transferred to the lessee. Otherwise leasing transactions are classified as operating leases.
Finance leases are recognized on the balance sheet at the amount corresponding to the value of the minimum payments due from the lessee discounted at the implied interest rate of the contract plus any unsecured residual value. The interest portion of the lease payments is recorded on the income statement under the heading “Interest and similar income.”

Impairment of financial assets and commitments given

In accordance with IFRS 9, a provision for expected losses is recognized when the financial asset is recorded on the balance sheet.

The financial assets in question include:

- debt instruments (securities and loans and receivables) recognized at amortized cost or at fair value through equity
- leasing receivables
- other receivables, such as customer receivables, and receivables under IFRS 15 “Revenue from Contracts with Customers”.

Financing or guarantee commitments given that are not measured at fair value through profit or loss are also subject to impairment.
Equity instruments and debt instruments recognized at fair value through profit or loss are not covered by provisions for impairment for credit risk.

Provisions for impairment are also set up for receivables with guarantees when an expected credit risk exists.

Impairment is recognized under “cost of risk” and may be reversed through profit or loss when the provision for calculated expected loss decreases.

Under the IFRS 9 provisioning model, financial assets for which a provision for impairment is recognized are classified into three groups called "buckets" based on the credit risk level:

▪ Bucket 1: IFRS 9 introduces the notion of "expected loss"; consequently, since credit/counterparty risk cannot be zero regardless of the asset, a provision for individual credit risk is calculated (based on one-year expected losses) and recognized when the financial asset is recorded on the balance sheet.

▪ Bucket 2: if, during the life of the instrument, credit risk increases significantly, the loan is reclassified into bucket 2 and a provision for lifetime expected losses is recognized.

▪ Bucket 3: in case of actual credit risk (counterparty default, for example), the loan is classified into bucket 3. A provision for lifetime expected losses is recognized. In this event, all receivables due from a borrower or a group of borrowers with outstanding contracts and/or debts in common in default are systematically allocated to Bucket 3 and are the subject of a single provision allocated for loan impairment.

The main criteria that result in a counterparty or group of borrowers being downgraded to default are as follows:

- knowledge of collective proceedings or personal recovery proceedings, notification of the admissibility of overindebtedness; proceedings or equivalent proceedings under foreign legislation;
- out-of-court recovery that has become impossible;
- contagion of the default under Basel rules;
- doubt as to a debtor's ability to honor all or part of its commitments;
- for loans considered to be restructured: payment arrears of more than 30 days or a new restructuring measure.
- a borrower is more than 90 days in arrears;

In terms of past-due amounts, the main changes introduced by the new definition of default are as follows:

- an incident (irregularity or past-due amount) is no longer recorded at the contract level but for a borrower or group of borrowers with outstanding contracts and/or debts in common;

- the past-due amount is the sum of all amounts affected by payment incidents due by the borrower or group of borrowers in question to all lending entities of the Crédit Mutuel Arkéa group as of the first euro cent;
- a materiality threshold is applied to the counting of the number of days past due. The threshold is crossed when both of its components are exceeded:
  - an absolute component with a threshold (principal + interest) of €100 for retail customers and €500 for non-retail customers,
  - a relative component with a threshold of 1% applied to the past-due amounts/total amount of balance sheet commitments for the borrower or group of borrowers;
- the concept of a probation period is defined as aminimum period of continued default classification once the regulatory default criteria have been cleared. This probation period is a minimum of three months.

- Significant increase in credit risk

The group uses the models developed for prudential purposes and has therefore applied a similar breakdown of its outstanding loans to assess any significant increase in credit risk:
- low default portfolios (LDP), for which the rating model is based on an expert assessment: large accounts, banks, local governments, sovereigns, specialized financing,
- high default portfolios (HDP), for which historical data is used to develop a statistical rating model: mass corporate, retail.

A significant increase in credit risk, which entails transferring a loan out of bucket 1 into bucket 2, is assessed by:
- taking into account all reasonable and justifiable information, and
- comparing the risk of default on the financial instrument at the reporting date with the risk of default at the initial recognition date.

This entails measuring risk at the borrower level. All the group's counterparties are rated by the rating system. This system is based on:
- statistical algorithms or "mass ratings" based on one or more models, using a selection of representative and predictive risk variables (HDP), or
- manual rating grids developed by experts (LDP).

Change in risk since initial recognition is measured on a contract-by-contract basis. Unlike bucket 3, transferring a customer's contract into bucket 2 does not entail transferring all the customer's outstanding loans or those of related parties (absence of contagion).

The expected credit loss approach under IFRS 9 is symmetrical, i.e. if expected credit losses at maturity were recognised in a previous periodand if it appears that there is no longer a significant increase in credit risk for the financial instrument for the current reporting period since its initial recognition, the provision is recalculated on the basis of an expected credit loss over 12 months.
It should be noted that the group applies the principle of symmetry set out in the standard. This means that the criteria for transfer into and out of bucket 2 are the same.

- Quantitative criteria

The quantitative thresholds for transfer to bucket 2 for the LDP and HDP portfolios, respectively, are presented below.

HDP boundary curve
For the HDPs, a continuous and growing boundary curve shows the relationship between the probability of default at origination and the probability of default at the reporting date.

The group uses the operational simplification offered by the standard, which allows exposures with a low risk at the reporting date to be maintained in Bucket 1, valued by a PD at the reporting date of less than 0.3%.
Above this level, the boundary curve takes into account PDs equal to:
- 3 times the PD at origination, for PDs above 2% at the reporting date,
- 4 points above the PD at origination, for PDs above 2% at the reporting date.

Thus, a contract with a 1% probability of default when granted will be transferred to bucket 2 if the probability of default at the reporting date is higher than 3%. Similarly, a contract with a 3% probability of default when granted will be transferred to bucket 2 if the probability of default at the reporting date is higher than 7%.

Crédit Mutuel Arkéa uses two correlations to show that the 12-month default rates are predictive of the default at maturity rates and to therefore justify that the significant increase in risk is measured based on the 12-month probability of default.

The first is a static correlation between the 12-month default rate and the cumulative multi-maturity default rates (this correlation study was carried out at the time of FTA of IFRS 9 and is repeated every year); the second is a dynamic correlation between the 12-month default rate and the marginal default rate of each maturity.

LDP matrix
For the LDPs, the boundary is based on an allocation matrix that shows the relationship between the internal ratings at origination and at the reporting date.

Rating on origination	Rating threshold for transfer to bucket 2
from A+ to B-	D+
C+	D-
from C- to D-	E+

Therefore, a contract with a rating on origination of B+ will be transferred to bucket 2 if the rating on the reporting date is less than or equal to D+.

➢ Qualitative criteria

The group combines this quantitative data with the following qualitative criteria:
- in all cases, the existence of an incident lasting more than 30 days enables the group to assess the significant change in credit risk by making a transfer to bucket 2;
- restructured outstandings are automatically downgraded to bucket 2 and can only be returned to bucket 1 if a probation period of 24 months has been observed;
- in the case of the securities portfolio, “sensitive” outstandings rated speculative grade (rating of D+ or lower) are automatically downgraded to bucket 2, while financial instruments with a low credit risk classified as investment grade (rating of between A+ and C-) remain in bucket 1.

Methods based exclusively on qualitative criteria are used for entities or small portfolios that are classified for prudential purposes under the standardized approach and do not have a rating system.

- Buckets 1 and 2 – calculation of expected credit losses

In terms of calculation, the provisioning model takes into account:
- probability of the debtor's default,
- the loss given default of the debtor (i.e. the ratio of the loss on an exposure in the event of default of a counterparty to the amount of the exposure at the time of default),
- The Crédit Mutuel Arkéa group's exposure (i.e. loans outstanding with this counterparty on the balance sheet and in commitments given).

Provisions must also take into account past, present and forward-looking information.

Expected credit losses are measured by multiplying the outstanding amount of the loan by its probability of default (PD) and by the loss given default (LGD). The off-balance sheet exposure is converted to an on-balance sheet equivalent based on the probability of a drawdown. The one-year probability of default is used for bucket 1 and the probability of default at termination for bucket 2.
These parameters are taken from the models developed for prudential purposes and adapted to IFRS 9 requirements. They are used for both assignment to the buckets and the calculation of expected losses.

Guarantees are taken into account in the estimate of recoverable future cash flows when they are an integral part of the contractual terms of the loans to which the guarantees relate and are not recognized separately. In accordance with IFRS 9, the inclusion of guarantees and collateral does not affect the assessment of significant deterioration in credit risk, which is based on changes in the credit risk associated with the debtor without taking guarantees into account.

➢ Probability of default

This is based:
- for high default portfolios (HDP) on which default rates are statistically significant, on the models approved under the IRB-A approach,
- for low default portfolios (LDP) on which default rates are not statistically significant, on an external probability of default scale.

- Loss given default

This is based:
- for high default portfolios (HDP), on the flows of collections observed over a long period of time, discounted at the interest rates of the contracts,
- for low default portfolios (LDP), on the regulatory levels.

- Conversion factors

These are used to convert off-balance sheet exposure to an on-balance sheet equivalent and are mainly based on the prudential models.

- Forward-looking aspect

The prospective aspect is taken into account in the Probability of Default (PD) parameter via the notion of “forward-looking”. Forward-looking impacts both:
- the value of PDs at the various maturities,
- and the bucket allocation of outstanding loans: in effect, the application of forward-looking parameters has an impact on the analysis of significant deterioration and consequently on the allocation by bucket.

To calculate expected credit losses, the standard requires that reasonable and justifiable information, including forward-looking information, be taken into account. The development of the forward-looking aspect requires anticipating changes in the economy and applying these anticipated changes to the risk parameters.

For high default portfolios (HDP) and low default portfolios (LDP), the forward-looking aspect included in the probability of default takes into account three scenarios (optimistic, neutral and pessimistic), which will be weighted based on the group's view of changes in the economic cycle over five years. The group mainly relies on macroeconomic data available from well-known national or international statistics agencies. The forward-looking approach is adjusted to include elements that were not captured by the scenarios because:
- they are recent, meaning they occurred a few weeks before the reporting date;
- they cannot be included in a scenario: for example, regulatory changes that will certainly have a significant effect on the risk parameters and whose impact can be measured by making certain assumptions.

- Bucket 3: recognition

Impairment reflects the difference between amortized cost and the present value of discounted estimated future cash flows. Discounting is carried out at the initial effective interest rate of the loan for fixed-rate loans and at the last effective interest rate set according to the contractual terms and conditions for variable-rate loans. In the income statement, changes in impairment are recorded under “cost of risk” except for reversals related to the effects of the reversal of discounting, which are recorded under “Interest and similar income.”

The item “cost of credit risk for financial investments of insurance activities” includes the income items related to the recognition of credit risk for financial investments of insurance activities, as defined by IFRS 9:
- provisions and impairment covering 12-month and lifetime losses related to:
  - debt instruments recognised at amortised cost or at fair value through equity;
  - commitments subject to impairment under IFRS 9;
- losses on bad debts and recovery of debts previously recognised as loss

- Originated credit-impaired financial assets

These are contracts with incurred credit losses on the date of initial recognition or acquisition. These financial assets are subject to specific recognition under the provisions of IFRS 9.

At the reporting date, these contracts are identified in an "originated credit-impaired assets" category and provisioned based on the same method used for exposures in bucket 2, i.e. an expected loss over the residual maturity of the contract.

- Calculation of expected credit losses at 31 december 2024

Based on the various assumptions, probabilities of default have been defined for the 2024 financial year. They are deduced from the new calculation methodology introduced at the end of 2023: models linking macroeconomic data and observed default rates have been developed, allowing a forward-looking view of risk for each scenario individually. The probabilities of default ultimately used are a weighted expression of the probabilities of default specific to each scenario based on their probability of occurrence.

On these bases, the portfolio provisioning method remains the same:
- the credit risk identification models and processes that make up the internal rating system (IRS) remain efficient in the current economic context,
- the group has an early warning system that anticipates and detects precursors of customer fragility;
- the parameters used to calculate expected credit losses, probabilities of default, credit conversion factors and losses given default were updated based on the existing methodology;
- the weightings of stressed and optimistic scenarios were revised downwards by economists, mainly due to a climate aspect considered less likely. As a result, the weighting of the stressed scenario changed to 25% and that of the positive scenario to 5%, raising the weighting of the central scenario to 70%.

Regarding probability of default and loss given default, the segmentation was fine-tuned to take into account the risk trends observed recently while ensuring a good level of temporal stability.

For information, a sensitivity test of a 100% weighting of the pessimistic scenario was carried out. In this case, an additional €97 million provision for the cost of risk would be needed. The scale of this provision is justified by the severity of the assumptions used when defining the pessimistic scenario. By contrast, a 100% weighting of the central scenario would imply a €51 million reversal of provisions, which demonstrates the conservative nature of the scenario weighting assumptions used by Crédit Mutuel Arkéa.

In addition to the climate transition risk valued in the macroeconomic scenarios, the methodology for sector provisions for environmental risk was refined in 2024 given the recentness of the subject. A €21 million sector provision was recognised at 31 December 2024. The business sectors are selected based on an internal transition risk framework and an expert review of physical risk (for the real estate sector).
The sectoral overlay thus increases the coverage of the livestock farming and production, land and pipeline transport, water transport, real estate and part of residential housing sectors.

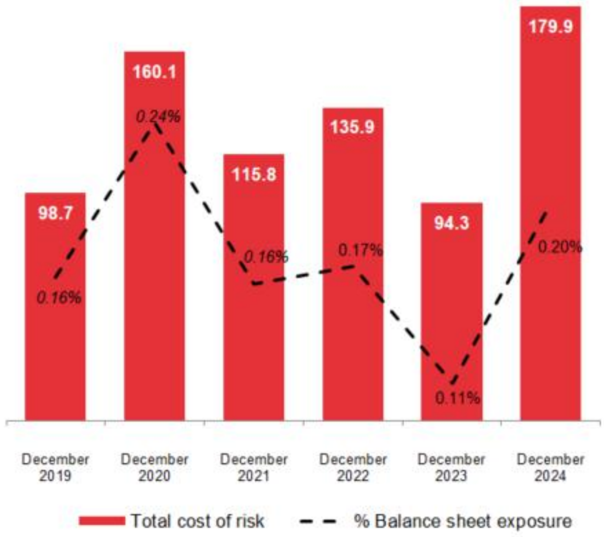
Given the lack of a vote on a Finance Act in late 2024 and the deterioration in economic conditions at year-end mentioned above, a €10 million provision was recognised at 31 December 2024 to cover the risk that an uncertain environment and slower growth in France could pose for the portfolio of performing loans.

The structure of the portfolio remained stable overall during the period under review, although the outstandings in bucket 2 have increased since December 2023 as a result of the change in the boundary curve making it possible to quantify the criterion of significant increase in credit risk.

Outstanding loans subject to provisions for expected losses for credit risk	12.31.2022	12.31.2023	12.31.2024
12-month expected losses - Bucket 1	95,427	102,568	108,483
Lifetime expected loss - Bucket 2	4,711	6,967	8,281
Impaired assets - Bucket 3 and POCI	1,482	1,573	1,857
Total	**101,620**	**111,108**	**118,621**

Non-performing loans (NPLs) grew by €284 million during the year to reach €1,857 million in 2024. This change was driven by the arrival of significant new loans, partially offset by assignments of receivables. The ratio of NPLs to total customer loans increased slightly to 2%.

The cost of risk amounted to €180 million at 31 December 2024 and was 20 bps of customer loans. The increase in the cost of risk is mainly due to a significant change in the methodology for estimating the parameters used to calculate expected losses, a decrease that partially offsets a sharp increase in the cost of risk for loans in default, explained by both an increase in provisions for loans already downgraded previously and new loans.
The breakdown of the cost of risk at 31 December 2024 reflects the catch-up effect of business failures in the post-COVID period and the impact of the 2023 energy and inflation crises.



Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit and loss are divided into those held for trading and those assigned to this category under the option afforded by IFRS 9. This allows financial instruments to be designated at fair value through profit or loss on initial recognition in the following cases:

- hybrid instruments containing one or more embedded derivatives,
- groups of assets or liabilities measured and managed at fair value,
- substantial elimination or reduction of an accounting treatment inconsistency.

The Crédit Mutuel Arkéa group uses this option to record at fair value through profit or loss issues of liabilities originated and structured on behalf of clients whose risks and any hedging thereof are managed as part of the same whole.

This option is also used for pure unit-linked contracts (not including a Euro fund) marketed by Suravenir.

Initially, financial liabilities at fair value through profit or loss are recognized at their fair value excluding acquisition costs and including accrued dividends. At the reporting date, they are measured at fair value and changes in fair value are recognized:

- under "Gains or losses recognized directly in non-recyclable equity", for the portion corresponding to own credit risk;
- in profit or loss for the period under "Net gain (loss) on financial instruments at fair value through profit or loss", for the remaining portion.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that, when separated from its host contract, satisfies the definition of a derivative. It is designed to affect certain cash flows, much like a standalone derivative.
This derivative is split off from the host contract and accounted for separately as a derivative instrument at fair value through profit or loss when the following three conditions are met:

- the hybrid instrument that hosts the embedded derivative is not measured at fair value through profit or loss;
- the economic characteristics of the derivative and its related risks are not considered to be closely linked to those of the host contract;
- the separate measurement of the embedded derivative to be separated is sufficiently reliable to provide an accurate assessment.

Realized and unrealized gains and losses are recognized on the income statement under "Net gain (loss) on financial instruments at fair value through profit or loss".

Targeted longer-term refinancing operations - TLTRO III

Since September 2019, the TLTRO III program has enabled banks to benefit from seven new refinancing tranches, each with a maturity of three years, at an interest rate that varies depending on the period.
The TLTRO III amount that Crédit Mutuel Arkéa can borrow depends on the percentage of outstanding loans granted to non-financial companies and households at the end of February 2019.

The TLTRO III interest rate is set according to market conditions defined by the ECB and banks may benefit from a lower rate (the "special interest rate") depending on their lending performance.

In response to the health crisis, the ECB eased the conditions of these refinancing operations in March 2020 and January 2021 to support the distribution of loans to households and businesses. A number of parameters have been reviewed[2]. Therefore, more favourable conditions allowed a reduction of 50 bps (i.e. additional special interest rate) during the "special" and "additional special" interest periods from June 2020 to June 2021 and then from June 2021 to June 2022[3] .

As part of its monetary policy measures, the ECB has successively raised its three key interest rates since June 2022 to get them to more restrictive levels and ensure a return to a 2% medium-term inflation target.

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[2] Decision (EU) 2021/124 of the European Central Bank of January 29, 2021 amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations (ECB/2021/3).

[3] Decision (EU) 2020/614 of the European Central Bank of April 30, 2020 amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations (ECB/2020/25).

On October 27, 2022[4], the ECB recalibrated the remuneration arrangements for TLTRO III operations in order to strengthen the transmission of the increase in key interest rates to bank lending conditions. The interest conditions applicable to TLTRO III were adjusted as of November 23, 2022. The interest conditions take into account the fact that the group achieved the credit performance targets set by the ECB for the two reference periods of the program:

- from its start date until November 22, 2022and excluding the special interest period and the additional special period, the interest rate on TLTRO III operations was the average deposit facility rate during that period (and no longer over the lifetime of the operation),
- during the special interest period and the additional special interest period (from June 23, 2020 to June 23, 2021 and from June 23, 2021 to June 23, 2022, respectively), it was equal to the average deposit facility rate over the period, reduced by 0.50%; a floor of 1% was applied,
- from November 23, 2022 to the maturity date (or the early repayment date, if applicable), the interest rate is now indexed to the average of the ECB's key interest rates applicable during this period and no longer to the lifetime of the operation, as previously.

This change was accompanied by the offer of three additional early repayment dates.

Following the ECB's decision, the group adjusted the method for calculating accrued interest not yet due related to these operations:

- interest recorded up to 23 November 2022 corresponded to the interest contractually due up to that date, additional special interest rate excluded.
- from 23 November 2022r, Crédit Mutuel Arkéa has used the overnight deposit facility rate though the effective interest rate of these operations, additional special interest rate excluded.
- The additional special interest rate is subject to prorata temporis spreading on the entire expected lifetime of the operation.

The last TLTRO III refinancing operation in which Crédit Mutuel Arkéa participated, to the tune of €2 billion, was reimbursed in March 2024. They were analysed as variable-rate financial instrument recognized at amortized cost. The decision to recalibrate the interest conditions of TLTROs was made unilaterally by the ECB, with no impact on the accounting treatment for these operations. The interest rate applicable to these operations is analysed as a market rate since it concerns all institutions that meet the criteria set by the ECB. Interests related to the additional special interest rate are still spread until the maturity date of operations.

Amounts owed to credit institutions and customers

At inception, amounts owed to credit institutions and customers are recognized at fair value. This is normally the net amount received initially, less transaction costs that can be directly attributed to the transaction when they are significant. On the closing date, such amounts are valued at their amortized cost according to the effective interest rate method.

By their nature, regulated savings products earn interest at the market rate. Housing savings plans and housing savings accounts are subject to a provision when necessary.

Related receivables or interest due on amounts due to credit institutions and customers are recorded in the income statement under "Interest and similar expense."

Debt securities

Debt securities are broken down by type of security (certificates of deposit, interbank market securities and negotiable debt instruments, bonds and similar, non-preferred senior debt).

They are initially recognized at fair value i.e. at their issue price less any transaction costs that can be directly attributed to the transaction when they are significant. On the closing date, such amounts are valued at their amortized cost according to the effective interest rate method. Related receivables or interest due on debt securities is recorded in the income statement under "Interest and similar expense."

[4] Decision (EU) 2022/2128 of the European Central Bank of October 27, 2022 amending Decision (EU) 2019/1311 on a third series of targeted longer-term refinancing operations (ECB/2019/21) (ECB/2022/37).

Subordinated debt

Subordinated debt includes fixed or indefinite term debt that may or may not be represented by a certificate and that differs from receivables or bonds because in the event of the liquidation of the debtor, repayment will only occur after all secured creditors have been paid. This debt is valued according to the amortized cost method. Related receivables or interest owed on subordinated debt is recorded in the income statement under “Interest and similar expense.”

Renegotiated debt

Renegotiation of a debt with an existing borrower can, depending on the circumstances, be considered to be a modification of the terms of the debt or an extinction of the debt.

Under the standard, when a financial debt is modified because the duration, interest rate or contractual terms and conditions have been adjusted, an assessment must be made of the materiality of said change (10% threshold). This assessment is based on a quantitative test that may be supplemented by a more qualitative test.
The quantitative test consists of comparing the value of the future cash flows under the new terms and conditions discounted at the effective interest rate of the original loan with the discounted value of the residual cash flows of the initial liability.
The quantitative test is supplemented by a qualitative test when the result is less than 10%. In particular, this qualitative test enables a significant change in the debt's risk profile to be taken into consideration (change of currency of the debt, type of interest rate or very substantial extension of the duration of the loan) which the quantitative test does not take into account, and to analyze, if appropriate, the change as an extinction of the debt.

A renegotiated debt that does not result in derecognition must be maintained at its original effective interest rate and the impact related to renegotiation (gain or loss) recognized immediately through profit or loss.

Insurance and reinsurance contracts

The group applies IFRS 17 “Insurance Contracts” and its amendments adopted by the European Union on 19 November 2021.

IFRS 17 defines the new rules for the recognition, measurement and presentation of insurance contracts that fall within its scope:

- Measurement of insurance contracts in the balance sheet: their value is updated at each reporting date based on a reassessment of the future cash flows related to their fulfilment. This reassessment takes into account market data in relation to the financial elements and policyholders’ behaviour;

- Recognition of the margin: even if the profitability of the insurance contracts remains unchanged, the recognition in profit or loss of their margins is modified to be spread over the duration of coverage period; and

- Presentation of the income statement: general operating expenses attributable to the fulfilment of insurance contracts are presented as a deduction from Net Banking Income under Insurance Service Expenses and do not impact the total general operating expenses in the consolidated income statement.

Scope

IFRS 17 applies to insurance contracts issued, reinsurance contracts issued and investment contracts with discretionary participation features issued. The definition of an insurance contract has not been changed in relation to IFRS 4, with the exception of the assessment of the risk of loss for the insurer, which must be carried out on the basis of a present value.

Separation of components

When insurance or investment contracts with discretionary participation features include components that fall within the scope of another standard, an analysis must be conducted to determine whether these components are to be accounted for separately. Thus:
- an embedded derivative is separated from the host insurance contract and recognised in accordance with IFRS 9 when its economic characteristics and risks are not closely related to those of the host contract;
- an investment component is the amount the insurer is required to repay to the insured in all cases, whether or not the insured event occurs. It is separated from the host insurance contract and recognised in accordance with IFRS 9 when it is distinct from the host insurance contract and when equivalent contracts could be sold separately in the

same market or jurisdiction. It is not separated if it is closely related to the host contract. Changes in an investment component that is not separated (and particularly related payments) are not recognised in profit or loss;
- a promise to transfer distinct goods or services other than insurance contract services to the insured is separated from the host insurance contract and recognised in accordance with IFRS 15.

The group has an investment component that is not separated on savings contracts, with the exception of optional cover, personal protection and mandatory annuity payments (accrued capital on the contract during the accrual phase).

Grouping of contracts

Insurance contracts are recognised and measured by groups of contracts within portfolios that include contracts covering similar risks and managed together. Groups of contracts are defined according to the expected profitability at inception: onerous contracts, profitable contracts with a low risk of becoming onerous and others.

Lastly, IFRS 17 stipulates that each group of contracts must be divided into annual cohorts (with no more than a 12-month interval between the contract issue dates). However, the European Commission gave European companies the option not to apply this provision to contracts benefiting from intergenerational pooling of the returns on the underlying assets.

The group uses this optional exemption for its life insurance and retirement savings contracts as they include direct participation features for which risks and cash flows are shared between different generations of policyholders. These life insurance contracts are also managed across generations to mitigate exposure to interest rate and longevity risks.

In general, contract portfolios are determined by the group using the product line to identify insurance contracts exposed to similar risks, by distribution network and based on the underlying assets.

Retirement savings contracts have been classified in separate portfolios due to the existence of longevity risk in the retirement contracts.

The main portfolios identified by the group are as follows:

	Portfolios
Life	Savings, Retirement savings, PERP, Whole life and funeral
Personal protection	Collective borrower, Individual borrower, Personal protection, Long-term care
Property/casualty	Health insurance, Auto, Comprehensive Home, Legal Protection, Means of payment

Recognition and derecognition

A group of insurance contracts issued is recognised at the beginning of the coverage period of the group of contracts (existence of payment due by the policyholder). For a group of onerous contracts, the date on which it becomes onerous.

In the case of a business combination or a separate transfer, groups of acquired contracts are treated as if the contracts had been issued on the date of the transaction. The consideration received or paid in exchange for the contracts is treated as the approximation of the premiums received for the purpose of calculating the contractual service margin at initial recognition.

In the case of a business combination within the scope of IFRS 3, the consideration received or paid is the market value of the contracts on that date.

An insurance contract is derecognised when the obligation it covers is extinguished, by payment or maturity, or if the terms of the contract are amended such that the recognition of the contract would have been substantially different if those amendments had originally existed. Derecognition of a contract entails adjustment of the fulfilment cash flows, the contractual service margin and the coverage units of the group in which it was included.

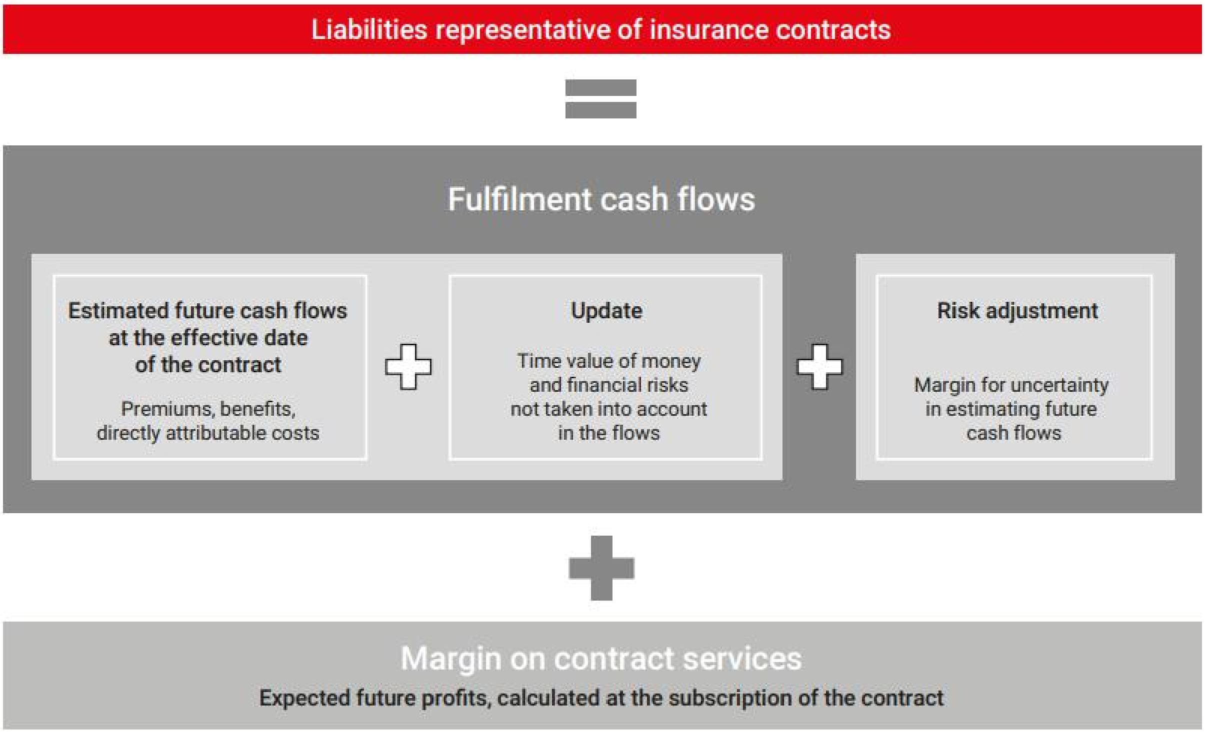
Measurement models

- General model applicable to insurance contracts issued

The general model used to measure contracts shown as liabilities will be based on the aggregation of three components using a building blocks approach: discounted future cash flows, a risk margin and a contractual service margin.

The general model is applied by the group to borrower protection, personal protection and long-term care insurance contracts.

<u>Initial measurement</u>
At initial recognition, the value of a group of insurance contracts issued is the sum of the following elements:



Estimated future cash flows

The general model for measuring insurance contracts is the best estimate of future cash flows payable or receivable necessary to fulfil the contractual obligations. Cash flows are discounted to reflect the time value of money. They correspond to flows attributable to insurance contracts directly or through allocation methods: premiums, contract acquisition and management costs, claims and benefits, indirect costs, taxes and depreciation of tangible and intangible assets.

Discounting

IFRS 17 requires the use of discount rate curves that reflect the time value of money and the cash flow and liquidity characteristics of insurance contracts.

The yield curve used to discount estimated future cash flows is a risk-free yield curve adjusted to take into account the illiquidity of the liabilities.

The group uses the EIOPA yield curve and applies the principles related to the extrapolation of the risk-free yield curve pursuant to the revision of the Solvency II directive (general guideline of the Council of the European Union) as these principles offer greater consistency with the financial markets.

	12.31.2024						12.31.2023					
	1 year	5 years	10 years	20 years	30 years	40 years	1 year	5 years	10 years	20 years	30 years	40 years
Savings / Retirement / Whole Life												
EUR	3.36%	3.26%	3.39%	3.38%	3.26%	3.25%	4.16%	3.13%	3.20%	3.21%	3.14%	3.18%
Borrower Protection and Personal Protection												
EUR	2.24%	2.14%	2.27%	2.26%	2.28%	2.45%	3.36%	2.32%	2.39%	2.41%	2.44%	2.61%

Adjustment for non-financial risk

The adjustment for non-financial risk reflects the compensation the group would require for bearing the uncertainty regarding the amount and timing of the cash flows that arises from non-financial risk when the group fulfils the insurance contracts.

The group uses the VaR (Value at Risk) valuation metric with a quantile of 70% for life insurance, retirement savings and personal protection contracts and a quantile of 75% for long-term care contracts.

Contractual service margin

The contractual service margin represents the unearned profit for a group of insurance contracts, i.e. the present value of future profits. It is amortised in income from insurance contracts over the coverage period of the contracts, as the insurance entity provides services to policyholders based on coverage units.

Positive contractual service margins will be recognised gradually in profit or loss over the coverage period of the insurance contract. In the case of onerous contracts, the loss corresponding to the net cash outflow for the group of contracts must be recognised in profit or loss when the contracts are underwritten.

Acquisition costs are deducted from the contractual service margin of the group of contracts to which they relate.

For each group of contracts, the group has determined a coverage unit to allocate the contractual service margin to the various expected coverage periods, reflecting the quantity of the benefits provided over those various periods.

For borrower protection contracts, the coverage unit used to amortise the CSM is the insured value, which is determined based on the probabilistic notion of capital at risk (CaR) (amount of loan capital multiplied by the insured portion).

For the sake of simplicity, for personal protection contracts (excluding whole life), the coverage unit used is the number of contracts.

<u>Subsequent measurement</u>

The current assumptions used to estimate future cash flows and the adjustment for non-financial risks are updated, as is the discount rate, to reflect the situation at the closing date.

The carrying amount of the group of insurance contracts is then equal to the sum of the following two amounts:

- The liability for the remaining coverage, which comprises the value of the re-estimated future fulfilment cash flows (present value of the premiums receivable and of the cost of future benefits over the remaining coverage period) and the contractual service margin discounted at the reporting date;
- The liability for incurred claims, in an amount equal to the current re-estimated value of the fulfilment cash flows relating to incurred claims and other related expenses that have not yet been paid at the reporting date.

The estimated cash flows and the adjustment for non-financial risk that covers the uncertainty of this measurement constitute the fulfilment cash flows of the insurance contracts discounted at the reporting date.

Changes in fulfilment cash flows are accounted for as follows:

Changes related to future services	Recognised as an offset to the CSM or insurance result in case of onerous contracts
Changes related to current or past services	Recognised in insurance result
Effect of the time value of money, financial risk and changes in them on future cash flows	Recognised in insurance result or in equity for the effect of the change in the discount rate

At that same reporting date, the amount of the contractual service margin is discounted to take into account:

- The impact of new contracts added to the group of contracts,
- The interest capitalised at the discount rate used to determine the initial margin value,
- The re-estimate of the fulfilment cash flows related to future services, in particular the present value of amounts receivable and payable in connection with insurance services provided over the remaining coverage period,

excluding the estimated expenses to be paid for claims already incurred, experience adjustments arising from premiums received and investment components during the period for future services, as well as changes in the adjustment for non-financial risk,
- the amount recognised as insurance income due to the provision of insurance services under the insurance contracts during the period.

A share of the margin amount thus reassessed is then recognised in profit or loss, representing the insurance coverage provided under the group of contracts during the period. For contracts that become onerous, once the contractual service margin has been exhausted, the loss is recognised during the period. For onerous contracts that again become profitable due to favourable changes in assumptions, the contractual service margin is only reconstituted after offsetting the loss component.

The group recognises the effect of the change in the discount rate of personal protection and long-term care insurance contracts in equity. The accretion expense is recognised in profit or loss based on the initial rate (rate at the time of underwriting for the liability for remaining coverage and rate on the date of occurrence for the liability for incurred claims). The difference between the value of liabilities discounted at a rate set at inception and the value of these same liabilities estimated using current discount rates is recognised in equity.

- General model adapted for contracts with direct participation (Variable Fee Approach)

IFRS 17 provides for an adaptation of the general model for contracts with direct participation features. Under this adapted model, known as the “variable fee approach”, the obligation to return to policyholders a substantial portion of the return on the underlying assets net of contract expenses may be reflected in the measurement of the insurance liability.

Contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which an entity promises an investment return based on underlying items. They are therefore defined as insurance contracts for which:
- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

This adapted general model is applied by the group to life insurance and retirement savings contracts.

Eligibility for this measurement model is analysed on the issue date of the contracts and may be subsequently reassessed only in case of changes in said contracts.

The main adaptations to the General Model concern:
- the portion of the fair value variation of the underlying investments attributable to the insurer. At each reporting date, this portion of the variation during the period is incorporated into the contractual service margin to be recognised in profit or loss and spread over the expected residual coverage period of the contracts.
- the portion of the change in fair value of the underlying investments accruing to the policyholder. At each reporting date, this portion of the change during the period is recorded in the fulfilment cash flows of the contracts with an offset to insurance financial income or expenses.
- the interest on the contractual service margin, the variations in which are implicitly included in the periodic revision of the contractual service margin.

The contractual service margin is also adjusted for the effect of changes in fulfilment cash flows that do not vary based on the returns on underlying items and relate to future services, except where the risk mitigation option is applied to exclude from the contractual service margin changes in the effect of the time value of money and financial risk on the amount of its share of the underlying items or fulfilment cash flows (option not applied by the group). If they relate to past or current service, these changes are also recognised in insurance profit or loss.

The result of these contracts is therefore mainly represented by the release of the fulfilment cash flows and the amortisation of the contractual service margin. The group applies the amendment to IFRS 9, which allows the recognition in the balance sheet of financial instruments underlying insurance contracts with direct participation features at market value through profit or loss in order to eliminate accounting mismatches with insurance liabilities measured using the variable fee approach, and the financial result of these contracts is zero.

There are also plans to apply the amendments to IAS 32 and IFRS 9, which make it possible to maintain in the balance sheet financial assets issued by the group that are held as underlying items of contracts with direct participation features measured at market value through profit or loss.

Insurance contracts measured under this model include an investment component in the form of a deposit paid by the policyholder and which the insurer is contractually required to repay even if the insured event does not occur. The inflows and repayments related to these deposits do not constitute either income or expenses related to these contracts, and adjustments related to differences between estimates and actual experiences over the period are included in the contractual service margin.

For life insurance and retirement savings contracts, the yield curve used to discount estimated future cash flows is determined based on a bottom-up approach, which entails adding an illiquidity premium determined on the basis of the underlying assets to a risk-free yield curve.

The coverage unit used to amortise the contractual service margin is the change in the present value of savings due to policyholders (sum of the mathematical reserves for each contract), adjusted to take into account the impact of the real return on the underlying investments compared with the risk-neutral actuarial projection.

- Simplified approach (Premium Allocation Approach) - Option

The standard also makes it possible, subject to conditions, to apply a simplified approach known as the “premium allocation approach” to contracts with a term of 12 months or less or if the application of the simplified approach produces a similar outcome to the general model.

This simplified model is applied by the group to property and casualty insurance contracts.

On initial recognition, the carrying amount of the liability for remaining coverage is measured at the amount of the premiums received at the date of initial recognition less the amount at that date of the cash flows related to acquisition costs attributed to the group and plus or minus any amount arising from the derecognition at that date of any asset or liability previously recognised as cash flows relating to the group of contracts (including any assets for cash flows related to acquisition costs). The group has elected not to adjust the carrying amount of the liability for remaining coverage in order to reflect the time value of money and the effect of financial risk.

The group applies the option to recognise as expenses cash flows related to acquisition costs at the time it incurs those costs, provided that the coverage period of each of the contracts in the group at the time of initial recognition does not exceed one year.

Liabilities for incurred claims are measured according to the general model.

The adjustment for non-financial risk is determined using a quantile approach based on a confidence level of 75% for property and casualty insurance contracts.

At each reporting date, the adjustment of liabilities for remaining coverage and for incurred claims is recognised in profit or loss.

The group applies the option to offset the discount rate effects in equity for liabilities for incurred claims under property and casualty contracts.

- Measurement of reinsurance treaties held

Reinsurance treaties held are divided and accounted for in accordance with the provisions applicable to insurance contracts issued and are measured by the group under the general and simplified models.

The present value of the future cash flows of reinsurance treaties held is estimated using assumptions consistent with those used to estimate the present value of the future cash flows of the underlying group(s) of insurance contracts, with an adjustment to reflect the risk of non-performance by the reinsurer, including the effect of guarantees and losses arising from litigation.

The adjustment for non-financial risk corresponds to the amount of risk transferred by the ceding company to the reinsurer.

If the reinsurance treaty held immediately offsets the losses of an underlying group of onerous contracts, the reinsurance gain is recognised immediately in profit or loss. This loss recovery component is used to recognise amounts that are subsequently recognised in profit or loss.

Handling of internal expenses

As a banking and insurance conglomerate, the group distributes savings and protection products (borrower insurance, auto insurance, home insurance, etc.) and provides all necessary business management tools on behalf of its insurance subsidiaries.

The services provided by the banking networks (business introduction, administrative contract management, provision of personnel or goods, etc.) are remunerated through margin commissions based on agreements between the distributor credit institutions and the insurance subsidiaries.

The new measurement model for insurance contracts under IFRS 17 requires projecting in the fulfilment cash flows of contracts the acquisition and management expenses that will be paid in the future and presenting in the income statement the release of the estimated expenses for the period, on the one hand, and the actual expenses incurred by the distributor banking networks, on the other hand.

In accordance with the recommendations of the ESMA (32-63-1320) and the AMF (DOC-2022-06), the group restates the internal margin in the balance sheet and the income statement (in the breakdown of insurance liabilities and related results between fulfilment cash flows and contractual service margin) by presenting the share of the banking entities' general operating expenses attributable to insurance activity as insurance contract expenses and modifying the recognition in profit or loss of internal margins now spread over the duration of the insurance service (at the rate of release of the CSM) for the banking scope under IFRS 17.

The banking entities' expenses attributable to insurance activity are estimated on the basis of an analytical model.

Presentation in the balance sheet and the income statement of insurance activities

Pursuant to the amendments to IAS 1 resulting from IFRS 17:

- insurance contracts issued and reinsurance contracts held are presented on the balance sheet under assets or liabilities according to the overall position of the portfolios to which they belong (including the debts and receivables related to measurement of the contract);
- the various income and expenses of insurance and reinsurance contracts are broken down in the consolidated income statement under Net Banking Income into:

Profit or loss on insurance activities

- Income from insurance and reinsurance contracts issued,
- Service expenses related to insurance and reinsurance contracts issued, and
- Income and expenses related to reinsurance contracts held;

Financial income/expense of insurance activities

- Financial income and expenses of insurance and reinsurance contracts issued, and
- Financial income and expenses of reinsurance contracts held.

Income from insurance contracts shows the release of fulfilment cash flows for the expected amount over the period (excluding investment components), the change in the risk adjustment, amortisation of the contractual service margin for services rendered, the amount allocated for amortisation of acquisition expenses, premium experience adjustments, and the allocation of premiums over the period for the premium allocation approach.

Service expenses related to insurance contracts therefore include the incurred share of general operating expenses and fees directly attributable to the fulfilment of contracts, which is then deducted from Net Banking Income.
They represent the actual expenses incurred over the period (excluding repayments of the investment component), changes related to past service, amortisation of acquisition expenses, and the initial loss component for onerous contracts as well as its amortisation.

The income and expenses of reinsurance contracts held are representative of the amounts recovered from reinsurers and the allocation of premiums paid in respect of this cover.

Financial income or financial expenses of insurance and reinsurance contracts mainly include changes in the value of groups of contracts related to the effects of the time value of money and financial risks not taken into account in the estimated cash flows.

The financial income or financial expenses of insurance contracts issued will be presented separately between the income statement and equity for the relevant portfolios.

Monitoring of transition stock

The table below shows the total contractual service margin (CSM) on insurance contracts determined at the transition date on 1 January 2022 and its release over the current financial year by the transition method applied by the group.

12.31.2024

	Contracts measured under the modified retrospective approach (MRA)	Contracts measured under the full retrospective approach (FRA)	TOTAL
Opening CSM balance	**3,040**		**3,040**
Change in the contractual service margin recognized in profit or loss for services rendered	(279)		(279)
Changes related to services rendered during the period	**(279)**		**(279)**
Changes in estimates leading to an adjustment of the contractual service margin	53		53
Changes related to future services	**53**		**53**
Financial income or financial expense on contracts	1		1
Closing CSM balance	**2,815**		**2,815**

12.31.2023

	Contracts measured under the modified retrospective approach (MRA)	Contracts measured under the full retrospective approach (FRA)	TOTAL
Opening CSM balance	**3,522**		**3,522**
Change in the contractual service margin recognized in profit or loss for services rendered	(307)		(307)
Changes related to services rendered during the period	**(307)**		**(307)**
Changes in estimates leading to an adjustment of the contractual service margin	-175		-175
Changes related to future services	**-175**		**-175**
Financial income or financial expense on contracts	(1)		(1)
Closing CSM balance	**3,040**		**3,039**

The table below shows the income generated during the year by type of transition method.

	12.31.2024	12.31.2023
Income from insurance activities		
Contracts measured under the full retrospective approach (FRA) at transition	0	8
Contracts measured under the modified retrospective approach (MRA) at transition	334	350
TOTAL	**334**	**358**

Insurance risk factors

Suravenir is exposed to underwriting risk in respect of its life and personal protection insurance business. This refers to the risk of loss or adverse change in the value of insurance liabilities. This situation results from an increase in the loss experience that was not anticipated during the pricing of risk acceptance or risk monitoring (provisioning risk).

The main underwriting risks relating to Suravenir's activities are as follows:

- Policyholder behaviour risk: this is linked to insufficient anticipation of policyholder behaviour in terms of surrenders, transfers between funds, cancellations or early repayments by borrowers.
- Biometric risks: these are mainly mortality risk, disability/incapacity risk and longevity risk.
- Risk of an unfavourable change in the insurer's costs: cost risk ("management risk") is the risk that the costs incurred by the insurer are higher than expected. This risk affects all insurance activities.

Sensitivity analysis – Insurance risk management

	12.31.2024		12.31.2023	
	Net income impacts	Equity impacts	Net income impacts	Equity impacts
Life Portfolio				
Surrender rate (up +10%)	(2)	1	(3)	2

At 31 December 2024, an increase in the surrender rate of Suravenir's personal protection insurance contracts by 10% would reduce the group's IFRS net income by €2.4 million and would increase OCI equity by €0.8 million.

The life/retirement savings insurance portfolio accounted for the majority of commitments for an amount of €54.7 billion at 31 December 2024 (€52.4 billion at 31 December 2023), recognised under the liabilities of issued direct participation insurance contracts. In addition, the commitments in the protection portfolio recognised under insurance contract liabilities, excluding those with direct participation features, amounted to €646 million at 31 December 2024 (€644 million at 31 December 2023).

In addition to technical risks, risks related to the financial markets and ALM management also impact insurance activities. Thus, changes in interest rates have a direct impact on the valuation and returns of Suravenir's bond portfolio, for both the proprietary and euro-denominated funds. Persistently low interest rates could put downward pressure on the margin generated by Suravenir, affecting its profitability and ultimately its solvency.

Sensitivity analysis - Market risk management

	12.31.2024		12.31.2023	
	Net income impacts	Equity impacts	Net income impacts	Equity impacts
+100 bps change in interest rates	8	(8)	9	(11)
-100 bps change in interest rates	(12)	9	(10)	13
-10% change in the stock market	(4)	(5)	(1)	(5)
-10% change in the real estate market	(5)	(1)	(1)	(1)

At 31 December 2024, a 100 basis point reduction in rates for Suravenir would reduce the group's IFRS net income by €12.4 million and increase OCI equity by €8.7 million.
Conversely, an increase in rates of 100 basis points for Suravenir would increase the group's IFRS net income by €7.6 million and reduce OCI equity by €7.5 million.

Shareholders' equity

- *Difference between liabilities and equity*

A debt instrument or financial liability is defined as a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under potentially unfavorable conditions.
An equity instrument is defined as a contract containing a residual interest in an enterprise after subtracting all its debts (net assets).

- *Shares*

Pursuant to these definitions, the shares issued by the Crédit Mutuel savings banks are considered shareholders' equity within the meaning of IAS 32 and IFRIC 2 and are treated as such in the group's consolidated financial statements.

Measurement of the fair value of financial instruments

Fair value is defined by IFRS 13 as "the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date". Initially, fair value is usually the transaction price.

Financial assets and liabilities measured at fair value are assessed and recognized at fair value as of their first-time consolidation as well as at subsequent measurement dates. These assets and liabilities include:

- financial assets and liabilities at fair value through profit or loss;
- financial assets at fair value through equity;
- available-for-sale financial assets;
- derivatives

Other financial assets and liabilities are initially recognized at fair value. They are subsequently recognized at their amortized cost and are subjected to valuations whose methods are disclosed in the notes to the financial statements. These other financial assets and liabilities include:

- loans and receivables with credit institutions and with customers at amortized cost under IAS 39 and IFRS 9 (including loans and receivables related to the insurance activities);
- debt securities at amortized cost;
- held-to-maturity securities;
- liabilities to credit institutions and customers;
- debt securities;
- subordinated debt.

Assets and liabilities are also classified in three levels of hierarchy corresponding to the level of judgment used in valuation techniques to determine fair value.

Level 1: Assets and liabilities whose fair value is calculated using prices quoted (unadjusted) to which the entity has access on the measurement date on active markets for identical assets or liabilities.

An active market is one which, for the asset or liability being measured, has transactions occurring with sufficient frequency and volume so as to provide price information on a continuous basis.

This category includes notably equities, bonds and shares of mutual funds listed on an active market.

Level 2: Assets and liabilities whose fair value is calculated based on adjusted prices or using data other than quoted prices that are observable either directly or indirectly.

In the absence of any such quotation, fair value is determined using “observable” market data. These valuation models are based on techniques widely used by market operators, such as the discounting of future cash flows or the Black & Scholes model.

This category includes notably the following financial instruments:

- equities and bonds listed on a market that is considered inactive or that are unlisted;
- over-the-counter derivative instruments such as swaps and options,
- venture capital funds, innovation funds and real estate investment vehicles;
- structured products.

The fair value of loans and receivables, liabilities to credit institutions and debt securities (including subordinated debt) are also included in this level.

Loans and receivables and liabilities to credit institutions are measured using two methods:

- the fair value of fixed-rate items, such as fixed-rate loans and deposits, is measured by discounting the expected future cash flows;
- the fair value of variable-rate items, such as adjustable-rate loans with a maturity of more than one year, is measured using the Black & Scholes model.

The fair value of traditional fixed-rate loans, borrowings, debt securities and subordinated debt is obtained by discounting future cash flows and using dedicated yield curve spreads.

The fair value of variable-rate loans, borrowings, debt securities and subordinated debt is obtained by discounting future cash flows with the calculation of a forward rate and the use of dedicated yield curve spreads.
The group's counterparty default risk is factored into the yield curve used to value debt securities and subordinated debt.

For current receivables and liabilities (less than one year), fair value is considered equivalent to their nominal value.

Level 3: Assets and liabilities whose fair value is calculated using information on assets or liabilities not based on observable market data.

Valuation methods using unobservable market data are used only in the following cases:
- loans and receivables, and liabilities to customers,
- equity securities not listed on an active market,
- certain specialized financings,
- securities held by private equity companies.

Thus, for example, equity investments not listed on an official market are measured internally. In most cases, these holdings are measured on the basis of their revalued net assets or their carrying amount, on an entity-by-entity basis.

Similarly, the valuation methods used by private equity companies generally include:
- the transaction price for recent acquisitions
- the historical multiples method for mature companies
- adjusted net asset value for portfolio companies (holding companies) and investment firms (funds).

The valuation provided by the models is adjusted to reflect liquidity risk. Using the valuations produced on the basis of a median market price, prices are adjusted to reflect the net position of each financial instrument at the bid or ask price (on selling or buying positions, respectively).

The day-one profit, i.e. the difference between the transaction price and the valuation of the instrument using valuation techniques, is considered null: transactions carried out by the group for its own account are recognized at their fair value. For transactions carried out on behalf of customers, the part of the margin not yet recognized is recorded in income when the parameters are observable.

Other assets and liabilities

Property, plant and equipment, intangible assets and investment real estate

- **Non-current assets owned by the group**

Pursuant to IAS 16, IAS 38 and IAS 40, property, plant and equipment or investment property is recognized as an asset if:
- it is likely that the future economic benefits from this asset will accrue to the company, and
- the cost of said asset can be measured reliably.

Pursuant to IAS 40, the group's property is classified as "investment property" (banking scope or insurance scope) when it is held primarily to generate rental income or capital appreciation. Property held primarily to be occupied by the group for administrative or sales uses is classified as "property, plant and equipment."

Property, plant and equipment and investment property are recorded on the balance sheet at cost plus expenses that can be directly attributable to the purchase of the property (e.g. transfer duties, fees, commissions, legal fees).

The group has chosen a fair value model for all investment properties backing liabilities that pay a return linked directly to the fair value of, or returns from, specified assets including that investment property.
After their initial recognition, the group measures these investment properties at fair value. The gain or loss resulting from the change in fair value of these investment properties is recognised in profit or loss during the period in which it occurs.

The cost model has been used for all other investment properties.
After initial recognition, fixed assets are measured at cost less accumulated depreciation and any impairment losses.

The fair value of investment properties carried at cost is disclosed in the notes. It is determined by an expert.

The method used to account for internally developed software is as follows:

- all software-related expenses that do not satisfy the conditions for capitalization (notably preliminary research and functional analysis expenses) are recognized as expenses in accordance with IAS 38;
- all software expenses incurred after the start of the production process (detailed analysis, development, validation, documentation) are capitalized if they meet the criteria of a self-created asset established by IAS 38.

In cases where the software is used in connection with a commercial contract, the amortization period may exceed five years; it is defined on the basis of the contract term.

If one or more components of property, plant and equipment or investment property have a different use or earn economic rewards at a different pace than that of the property, plant and equipment or investment property as a whole, said components are depreciated according to their own useful life. The group applied this accounting method for its operating and investment properties.

In 2024 the Crédit Mutuel Arkéa group conducted an analysis of the amortisation periods of software created or acquired (programs) to ensure their consistency with the actual useful lives.

This analysis was initiated following the implementation of a new IT strategy within the group as well as the deployment of the enterprise architecture framework that began in early 2024 and extended to all assets.

It resulted in the following changes to the amortisation schedule of software assets:

Type of software created	Amortisation periods until 31 December 2023	Amortisation periods from 1 January 2024
Programs involving distribution pathways or rapid obsolescence (e.g. mobile applications)	3 years	3 years
Other programs	5 years	8 years

And others assets :

Type of software created	Amortisation periods until 31 December 2023	Amortisation periods from 1 January 2024
Fixtures	3 to 10 years	15 years
Electronic equipment	3 to 5 years	3 to 10 years

This forward-looking review of the depreciation and amortisation schedules resulted in a €58 million decrease in depreciation and amortisation in Crédit Mutuel Arkéa's financial statements at 31 December 2024.

At the end of this analysis, the components and depreciation periods are as follows:

Component	Depreciation periods
Land	Not depreciable
Building shell	Corporate buildings and investment properties : 50 years Branches : 25 years
Roof and siding	25 years
Technical work packages	20 years
Fixtures	15 years

For the other categories of fixed assets, the depreciation periods used were determined according to the useful lives of the assets in question:

Component	Depreciation periods
Movable goods	10 years
Electronic equipment	3 to 10 years
Created or acquired software	3 to 8 years
Portfolio of acquired customer contrats	6 to 13 years

Amortization is calculated using the straight-line method. For property, plant and equipment and intangible assets, amortization is recorded on the income statement under “Depreciation, amortization and impairment of property, plant and equipment and intangible assets”. For investment property, it is recorded under “Expense from other activities.”

Indefinite-life assets are not depreciated but are tested for impairment at least once a year.

Capital gains or losses on the disposal of operating property, plant and equipment are recorded in the income statement under “Gains or losses on other assets”. Capital gains or losses on the disposal of investment property are recorded under “Income or expense from other activities.”

- **Fixed assets leased by the Group**

For all leases, the lessee must recognize in its balance sheet an asset representing the right to use the leased asset and a liability representing the obligation to pay the lease payments; in the income statement, the depreciation expense is shown separately from the interest expense on the liability. This treatment, currently applied to finance leases in lessee financial statements, is thus extended to include operating leases.

➢ Scope

IFRS 16 applies to all lease contracts except:

- contracts for the prospecting or exploitation of non-renewable natural resources, or for biological assets,
- service concession agreements,
- intellectual property licenses,
- the rights held by the lessee under license agreements on cinematographic films, video recordings, plays, manuscripts, patents and copyrights.

➢ Exemption measures

Lessees may choose not to apply the new lease treatment to contracts with a term of less than one year (including renewal options) or to contracts for goods with a low unit value. This latter simplification is aimed in particular at small equipment such as computers, telephones and small office furniture. The IASB mentioned an indicative threshold of USD 5,000 in the basis for conclusions of the standard (threshold to be assessed with regard to the new unit value of the leased asset).
The Group has decided to apply this exemption threshold of USD 5,000 and has also considered the possibility of excluding certain contracts the effect of which would be immaterial to its financial statements. The majority of vehicle lease agreements are entered into with the group’s consolidated entities. Vehicle leases entered into with external lessors are marginal and have been excluded due to their low materiality.

Real estate leases were reclassified under IFRS 16. The scope of the IT, automotive and other leases is not material.

➢ Accounting treatment of leases by lessees

On the date the leased property is made available, the lessee recognizes a rental debt under liabilities. The initial amount of the liability is equal to the present value of the lease payments payable over the lease term.
This rental debt is then measured at amortized cost using the effective interest rate method: each lease payment is thus recognized partly as interest expense in the income statement and partly as a gradual reduction of the rental debt under liabilities in the balance sheet.
The amount of the rental debt may be subsequently adjusted in the event of a change to the lease agreement, a re-estimate of the lease term, and to take account of contractual changes in rents relating to the application of indices or rates.

➢ Lease term

The lease term to be used to calculate the rentals to be discounted corresponds to the non-cancellable lease term adjusted to take into account:

- options to extend the contract that the lessee is reasonably certain to exercise,
- early termination options that the lessee is reasonably certain not to exercise.

The assessment of whether any extension options and early termination options are reasonably certain must take into account all facts and circumstances that may create an economic incentive to exercise those options or not, notably:

- the conditions for exercising these options (including an assessment of the level of rents in the event of an extension or of the amount of any penalties in the event of early termination),
- major improvements made to the leased premises (specific fittings, such as a safe-deposit room for example),
- the costs associated with the termination of the contract (negotiating costs, moving costs, cost of searching for a new asset suited to the lessee, etc.),

- the importance of the leased property to the lessee in view of its specific nature, its location or the availability of replacement assets (in particular for agencies located in strategic sites from a commercial point of view, for example in view of their accessibility, the expected influx or the prestige of the location),
- a history of similar contract renewals as well as the strategy concerning the future use of the assets (depending on the prospects for the redeployment or redevelopment of a commercial network of agencies, for example).

If the lessee and the lessor each have the right to terminate the lease without the other party's prior agreement and without a non-negligible penalty, the lease is no longer enforceable and therefore no longer generates any rental debt.

In March 2019, noting a variety of practices, ESMA referred to IFRIC on the matter of determining the term of certain leases, and on the depreciation period for fixtures and fittings inseparable from the leased property. Following this referral, IFRIC called attention to the facts:
- that the enforceable period of a lease must be assessed from an overall economic point of view and not solely from a legal point of view,
- that there is a presumption of alignment of the depreciation period for the fixtures that are inseparable from the leased property and the duration of the corresponding lease.

Crédit Mutuel Arkéa has analyzed the impacts of the December 2019 IFRS IC decision on the assumptions used upon first-time application for 3/6/9 commercial leases and for leases with automatic renewal. The repercussions of this decision are not material at the group level.

➢ Rent discount rate

The implied rates on contracts are generally not known or readily determinable, particularly for real estate leases. The group therefore decided to use its refinancing rate to discount rents and thus calculate the amount of rental debt.

➢ Rent amount

The payments to be taken into account for the valuation of the rental debt include fixed and variable rents based on an index (e.g. consumer price index or construction cost index) or a reference interest rate (Euribor, etc.), as well as, if applicable, the sums that the lessee expects to pay to the lessor under residual value guarantees, purchase options or early termination penalties.
However, variable rents that are indexed based on the use of the leased property are excluded from the assessment of rental debt (indexation to actual revenues or the mileage covered, for example). This variable portion of rental payments is recognized in profit or loss over time in accordance with changes in the contractual indexation.
In France, rents are recorded on the basis of their amount excluding value added tax. Furthermore, in the case of real estate leases, real estate taxes rebilled by lessors and the local residence tax are excluded from rental debts insofar as their amounts, as determined by the competent public authorities, may vary.

➢ Recognizing a right of use by lessees

On the date the leased property is made available, the lessee must recognize as an asset a right to use the leased property in an amount equal to the initial value of the rental debt plus, if applicable, initial direct costs, advance payments and rehabilitation costs.
This asset is then amortized on a straight-line basis over the lease term used to value the rental debt.
The asset value may be subsequently adjusted in the event of a change in the lease agreement, a re-estimate of the lease term, and to take into account contractual variations in rents linked to the application of indices or rates.
The rights of use are shown in the lessee's balance sheet in the fixed asset lines where assets of the same kind held in full ownership are recorded. Where the lease agreements provide for the initial payment of a lease right to the former tenant of the premises, the amount of such right is treated as a separate component of the right of use and is presented in the same heading as the latter.
In the income statement, depreciation charges on rights of use are presented together with depreciation charges on fully-owned fixed assets.

➢ Income tax

A deferred tax is recognized based on the net amount of taxable and deductible temporary differences.

Non-current assets held for sale

A non-current asset (or group of assets) satisfies the criteria for assets held for sale if it is available for sale and if the sale is highly likely to occur within 12 months.

The related assets and liabilities are shown separately in the statement of financial position, on the lines “Non-current assets held for sale” and “Liabilities associated with non-current assets held for sale”. Items in this category are recorded at the lower of their carrying amount and fair value less costs to sell and are no longer amortized.

When non-current assets held for sale or associated liabilities become impaired, an impairment loss is recognized in the income statement.

Discontinued operations include operations which are held for sale or have been shut down, and subsidiaries acquired exclusively with a view to resale. They are shown separately in the income statement, on the line “After-tax income (loss) from discontinued operations.”

Provisions

Provisions are established for the group’s commitments when it is likely that an outflow of resources will be needed for their settlement and when their amount or due date is uncertain but may be estimated reliably. In particular, such provisions cover employee-related commitments, home savings product risks and disputes.

Provision for paid leave

On 13 September 2023, the Cour de cassation (French supreme court) issued three rulings modifying companies’ obligations in terms of paid leave, with immediate effect. It ruled that the provisions of the French Labour Code were in contradiction of European regulations which provide for the right to paid leave without distinguishing the causes of absence.

Thus, since the rulings of 13 September:
- employees on sick leave or on leave for non-occupational accidents acquire paid leave during their period of absence from work,
- employees on leave following an occupational accident or illness acquire rights to paid leave for the entire duration of their period of sick leave, without limitation, contrary to current labour law, which limits this right to the first year of sick leave.

The Crédit Mutuel Arkéa group assessed the impact of applying these changes on its 31 December 2024 financial statements and recognised an additional paid leave provision in this respect. Its amount is not material for the group.

Provisions for pension obligations

Pension plans include defined contribution plans and defined benefit plans. Defined contribution plans do not give rise to an obligation for the group and consequently do not require a provision. The amount of employer’s contributions payable during the period is recognized as an expense and recognized under “Personnel expenses.” Defined benefit plans are those for which the group has agreed to provide a benefit amount or level. This commitment constitutes a medium- or long-term risk. Obligations related to plans that are not defined contribution plans are fully provisioned under “Provisions.” End-of-service benefits, supplementary retirement plans, time savings accounts and length-of-service benefits are recorded in this item.

The group’s pension obligation is calculated using the projected unit credit method based on demographic and financial assumptions. In particular, the calculations performed incorporate a discount rate that is differentiated by entity and by plan so that the rates used are adapted to the population of each structure and reflect the reality of the commitment as closely as possible. These rates are determined by reference to the iBoxx Corporate AA rates based on private bonds, using the iBoxx with the maturity closest to the duration of the commitments of the entity and the plan in question.

At December 31, 2024, discount rates are the following:

	UES Arkade	Other subsidiaries
Retirement benefits	2.94%	Between 2.80% and 3.61%
Retirement pension supplements	3.29%	Between 3.19% and 3.24%
Length-of-service awards	3.38%	Between 3.30% and 3.37%
Time savings accounts	3.42%	3.33%

The calculations also include an employee turnover rate of between 0% and 5.42% and a salary increase rate of between 2.91% and 4.15%[5]. Commitments are calculated using the TH00-02 and TF00-02 life expectancy tables for the obligation accrual phase and the TGH05 and TGF05 life expectancy tables for the pay-out phase.

Actuarial gains and losses represent the differences arising from changes in assumptions or differences between earlier assumptions and actual results.

For the category of other long-term benefits, differences are recognized immediately through profit or loss.

As for post-employment benefits, actuarial differences are recognized under “Gains and losses recognized directly in equity”.

Provisions for home savings accounts and plans

Home savings accounts (comptes d’épargne logement - CEL) and home savings plans (plans d’épargne logement - PEL) are government-regulated savings products intended for individuals. They combine an initial deposit phase in the form of an interest-earning savings account with a lending phase where the deposits are used to provide property loans. The latter phase is statutorily subject to the previous existence of the savings phase and is therefore inseparable from it.

The purpose of the home savings provision is to cover the risks related to:

- the commitment to extend home loans to account holders and subscribers of home savings plans at a regulated interest rate that may be lower than the prevailing market rate.
- the obligation to pay interest for an indeterminate period of time on the savings in home savings plans at a rate set when the contract is signed (this rate can be higher than future market rates).

This provision is computed by generation of home savings plans (plans at the same rate at opening are considered a generation) and for all the home savings accounts (which are a single generation). The commitments between different generations are not offset. The commitments are computed based on a model that factors in:

- historical data on subscriber behavior,
- the yield curve and a stochastic modeling of changes thereto.

Provision allocations and reversals are recognized in the income statement under “Interest and similar income” and “Interest and similar expense” (banking activity).

[5] UES Arkade and Arkéa-SCD rates, representing 93 % of the obligation.

CONSOLIDATION PRINCIPLES AND METHODS

CONSOLIDATION SCOPE AND METHOD

Consolidating entity

The consolidating entity of the Crédit Mutuel Arkéa group is Crédit Mutuel Arkéa as defined in the collective license issued by the French Prudential Supervisory and Resolution Authority. This credit institution consists of:

- the Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest federations,
- the Crédit Mutuel savings banks that are members of said federations,
- Crédit Mutuel Arkéa.

Entities included in the consolidation scope are those over which the group exercises exclusive or joint control or significant influence and whose financial statements have a material impact on the group's consolidated financial statements, in particular with respect to total assets and net income contribution.

Investments held by private equity companies and over which joint control or significant influence is exercised are excluded from the consolidation scope. These investments are recognized at fair value through profit or loss.

Controlled entities

Control exists when the group (i) has power over an entity, (ii) is exposed or has a claim on variable returns through its ties to the entity, and (iii) has the ability to exercise its power over the entity in such a way as to influence the amount of the return it obtains.

The consolidation of a subsidiary in the group's consolidated financial statements begins on the date when the group obtains control and ceases on the date the group relinquishes control over this entity.

Companies under exclusive control are fully consolidated. Full consolidation consists in substituting the value of the shares with the assets and liabilities of each subsidiary. The share of non-controlling interests in shareholders' equity and net income is recorded separately in the consolidated balance sheet and consolidated income statement, respectively.

Investments in associates and joint ventures

An associate is an entity in which the group exercises significant influence. Such influence is characterized by the ability to participate in the entity's financial and operating decisions without necessarily controlling or jointly controlling these policies. Significant influence is presumed if the group holds, directly or indirectly, 20 % or more of the voting rights in an entity. If more than 20 % of the voting rights are held, the absence of significant influence may be shown through the absence of representation in the governance bodies or the lack of participation in the process for setting policies.

A joint venture is a partnership in which the parties who exercise joint control over the entity have rights to the entity's net assets.

Joint control involves the contractually agreed-upon sharing of control exercised over an entity, which exists only in the event that decisions regarding the relevant activities require unanimous consent of the parties sharing control.

The earnings, assets and liabilities of associates or joint ventures are recognized in the group's consolidated financial statements using the equity method.

Under this method, an investment in an associate or joint venture is initially recognized at its acquisition cost and subsequently adjusted to reflect the group's share of the earnings and other comprehensive income of the associate or joint venture.

An investment is recognized under the equity method starting on the date the entity becomes an associate or joint venture. At the time of acquisition of an associate or joint venture, the difference between the cost of the investment and the group's share of the fair value of the entity's identifiable net assets and liabilities is recognized as goodwill. If the net fair value of the entity's identifiable assets and liabilities exceeds the cost of the investment, the difference is shown through profit.

Gains or losses obtained through the dilution or the sale of investments in associates are accounted for in the profit and loss account, within the "Gains (losses) on disposal – dilution in investments in associates".

Investment in joint ventures

A joint venture is a partnership in which the parties exercising control over the entity have direct rights over the assets and obligations with respect to the liabilities involving this entity.

Main changes in the scope of consolidation

During 2024, Yomoni was deconsolidated following the loss of significant influence. All the assets and liabilities of Pumpkin and Arkéa were transferred to the Crédit Mutuel Arkéa parent entity.

Schelcher Prince Gestion and Federal Finance Gestion merged on 31 December 2024.

The companies included in the Crédit Mutuel Arkéa group’s consolidation scope are presented in Note 47.

CONSOLIDATION RULES

Closing date

The closing date for all consolidated companies is December 31.

Inter-company transactions

Reciprocal receivables, payables and commitments and significant reciprocal expenses and income are completely eliminated among fully consolidated companies.

Accounting for acquisitions and goodwill

The group applies IFRS 3 (revised) for business combinations. The acquisition cost is the sum of the fair values, at the business combination date, of the assets contributed, liabilities incurred or assumed and equity instruments issued.
IFRS 3 (revised) allows the recognition of total or partial goodwill, as selected for each business combination. In the first case, non-controlling interests are measured at fair value (the so-called total goodwill method); in the second, they are based on their proportional share of the values assigned to the assets and liabilities of the acquired company (partial goodwill).

If goodwill is positive, it is recorded on the balance sheet under “Goodwill”; if negative, it is recorded immediately in the income statement through “Goodwill variations”.

Goodwill is subject to an impairment test at least once a year and whenever evidence of impairment exists.
Each goodwill item is allocated to a cash generating unit or group of cash generating units that stands to benefit from the acquisition. Any goodwill impairment is determined based on the recoverable amount of the cash generating unit to which it was allocated. Cash generating units are defined based on the group’s organizational and management methods and take into account the independent nature of these units.

When the group increases its ownership interest in a company that is already controlled, the difference between the purchase price of the shares and the additional share of the consolidated shareholders’ equity that these securities represent on the acquisition date is recognized in shareholders’ equity.
If the group reduces its ownership interest without giving up control, the impact of the change in ownership interest is also recognized in shareholders’ equity.

With respect to goodwill, if the recoverable amount of the related cash-generating unit (CGU) is less than its carrying amount, an irreversible provision for goodwill impairment loss is recognized. Impairment is equal to the difference between the carrying amount and the recoverable amount. The recoverable amount is calculated by applying the most appropriate valuation method at the level of the CGU.

Under this approach, the measurement work is mainly based on the discounted dividend model (DDM) and the discounted cash flow (DCF) method, in accordance with the principles of IAS 36. The DDM method is selected for cash generating units (CGU) that are subject to prudential capital requirements (credit institutions and insurance companies) and the DCF method is used for all other CGUs.

The cash flows used are determined on the basis of the business plan of each CGU over a specific horizon of between four and five years, with some exceptions. These business plans are drawn up based on a common macroeconomic scenario for all fully-consolidated entities.

The discount rates used correspond to the cost of capital determined using the Capital Asset Pricing Model (CAPM). This method is based on a risk-free interest rate, to which a risk premium is added that depends on the underlying activity of the cash generating unit. This risk premium is the product of a sector beta, the equity risk premium and possibly a specific premium reflecting, for example, the execution risk or the fact that the company was only formed recently. The risk-free rate, the sector beta and the equity risk premium are market data. For its impairment tests, the Crédit Mutuel Arkéa group uses a two-year average of each parameter. The sector beta reflects the risk of the business sector compared with the rest of the equity market. It is calculated as the average beta of a sample of comparable listed stocks. If the company is in debt, the cost of debt is also taken into account. The discount rate then becomes the weighted average cost of capital according to the ratio between equity and debt. The discount rates used at the end of 2024 ranged from 10.2% to 17.7% and perpetual growth rates were 2%.

The Crédit Mutuel Arkéa group performs sensitivity tests on values-in-use annually. The tests performed at the end of 2024 entailed measuring the change in the valuation of the external parameters of the method (50 bps change in the discount rate, 50 bps change in the growth rate to infinity). In addition, a multi-scenario approach was taken to determine alternative financial trajectories for measuring assets, taking into account:

- a 200 bps deterioration or improvement in the cost/income ratio in terminal value,
- implementation of the company's business plan a year late or a year early.

All these factors take into account the various parameters that can create or destroy a company's value: financial market volatility, real growth of the French economy, profitability at the end of the forecast period and a delay in implementing the business plan (favourable or unfavourable).

These measures led to the following results:

- a 50 bps increase in the discount rate would result in a 5.3% overall reduction in the recoverable amounts;
- a 50 bps decrease in the growth rate to infinity would result in a 3.3% overall reduction in the recoverable amounts;
- a 200 bps increase in the cost/income ratio in terminal value would result in a 6.4% overall reduction in the recoverable amounts;
- a one-year delay in implementing the company's business plan would result in a 4.9% overall reduction in the recoverable amounts.

Leases, leases with a buy-out clause and financial leases

Lease transactions, leases with a buy-out clause and financial leases are restated in such a way as to take financial accounting into consideration.

Translation of foreign currency denominated financial statements

The balance sheets of entities whose financial statements are denominated in a foreign currency are translated using the official foreign exchange rate as of the closing date. Exchange differences on share capital, reserves and retained earnings are recorded in other comprehensive income in the "Translation reserves" account. Income statement items are translated using the average exchange rate during the fiscal year. Translation differences are recorded directly in the "Translation reserves" account.

Taxes

IFRIC interpretation 21 "Levies" sets out the conditions for recognizing a tax-related liability. An entity must recognize this liability only when the obligating event occurs in accordance with the relevant legislation. If the obligating event occurs over a period of time, the liability is recognized progressively over the same period. Lastly, if the obligating event is triggered on reaching a threshold, the liability is recognized when the minimum threshold is reached.

International Tax Reform – Pillar 2 Model Rules

In December 2022, the European Union published Directive 2022/2523 on implementation of the OECD tax reform aimed at ensuring that large multinational companies pay a minimum tax in each jurisdiction in which they operate.
The European Directive was transposed into French law through the 2024 Finance Act, enacted on 29 December 2023. The reform came into force on 1 January 2024.

This work mainly entailed :

- developing the GloBE scope, which includes both the entities in the statutory scope consolidated using the full consolidation method and the entities not consolidated to date for materiality reasons on which the group exercises exclusive control,
- identifying and measuring the potential impacts of the entry into force of the minimum tax and, in particular, verifying whether, once the safeguard measures have been taken, the group would be required to pay additional tax in certain jurisdictions.

The Crédit Mutuel Arkéa group operates in three jurisdictions: France, Belgium and Luxembourg. Based on the de minimis tests and simplified ETR, no jurisdiction has been identified as being subject to additional tax.

Deferred taxes

Deferred taxes are recognized on the temporary differences between the carrying amount of an asset or liability and its tax base. They are calculated using the liability method at the corporate tax rate known at the closing date for the period and applicable when the temporary difference is used.

Deferred tax assets are recognized only if there is a probability that the tax entity in question will recover these assets within a given time period, particularly by deducting these differences and carry-over losses from future taxable income.

Deferred taxes are recognized as income or expense, except for those related to unrealized or deferred gains or losses, for which the deferred tax is booked directly to other comprehensive income. Deferred taxes are also recorded in respect of tax losses from prior years when there is convincing evidence of the likelihood that such taxes will be collected.

Deferred taxes are not discounted.

The regional economic contribution (CET) and the companies' value-added contribution (CVAE) are treated as operating expenses and do not entail the recognition of deferred taxes in the consolidated financial statements.

Uncertainty over income tax treatments

In accordance with IFRIC 23, the group assesses the likelihood that the tax authorities will accept/not accept the position taken. It then estimates the impacts on taxable income, tax bases, losses carried forward, unused tax credits and taxation rates. In case of an uncertain tax position, the amounts to be paid are assessed on the basis of the most likely amount or theu expected value based on the method that best predicts the amounts that will be paid or received.

NOTES TO THE BALANCE SHEET (in million of euros)

Note 1. Cash, due from central banks
Loans and receivables - credit institutions

	12.31.2024	12.31.2023
Cash, due from central banks		
Due from central banks	10 099	13 430
Cash	133	147
Accrued interest	0	3
TOTAL	**10 232**	**13 580**
Loans and receivables - credit institutions		
Current accounts	11 303	10 390
Loans	27	12
Other receivables	663	702
Guarantee deposits paid	796	810
Repurchase agreements	1 086	1 804
Individually impaired receivables (B3)	0	0
Accrued interest	332	322
Impairment on performing loans (B1/B2)	(5)	(9)
Other impairment (B3)	0	0
TOTAL	**14 201**	**14 031**
of which deposits and demand loans with credit institutions	456	467

Note 2. Financial assets at fair value through profit or loss

	12.31.2024				12.31.2023			
	Trading	Fair value option	Other FVPL	TOTAL	Trading	Fair value option	Other FVPL	TOTAL
Securities	**-**	**-**	**1,416**	**1,416**	**-**	**-**	**1,308**	**1,308**
- Treasury bills, notes and government bonds	-	-	-	-	-	-		
- Bonds and other fixed-income securities	-	-	643	643	-	-	576	576
. Listed	-	-	14	14	-	-	10	10
. Unlisted	-	-	609	609	-	-	547	547
Accrued interest		-	20	20		-	18	18
Including UCI	-	-	369	369	-	-	343	343
- Stocks and other variable-income securities	-		772	772	-		732	732
. Listed	-		-	-	-			
. Unlisted	-		772	772	-		732	732
- Equity securities held for long-term investment				-				
Derivatives held for trading purposes	**390**			**390**	**471**			**471**
Loans and receivables	**-**	**7**	**1**	**8**	**-**	**10**	**0**	**11**
of which repurchase agreements	-	-	-	-	-	-		
Separate assets for employee benefit plans	-	-	83	83	-	-	86	86
TOTAL	**390**	**7**	**1,500**	**1,897**	**471**	**10**	**1,394**	**1,876**

Trading derivatives are held fot the purpose of hedging customer transactions.

Note 3. Hedging derivatives

12.31.2024

	Fair value hedging		Cash flow hedging	
	Book value	Nominal value	Book value	Nominal value
Interest-rate risks:				
Hedging derivatives				
Hedging derivatives - assets	3,293	61,790		
Hedging derivatives - liabilities	3,066	38,248		
Change in the fair value of the hedging instrument	(238)			
Currency risk				
Hedging derivatives				
Hedging derivatives - assets				
Hedging derivatives - liabilities				
Change in the fair value of the hedging instrument				

12.31.2023

	Fair value hedging		Cash flow hedging	
	Book value	Nominal value	Book value	Nominal value
Interest-rate risks:				
Hedging derivatives				
Hedging derivatives - assets	3,945	52,902		
Hedging derivatives - liabilities	3,480	36,184		
Change in the fair value of the hedging instrument	40			
Currency risk				
Hedging derivatives				
Hedging derivatives - assets				
Hedging derivatives - liabilities				
Change in the fair value of the hedging instrument				

Note 4. Financial assets at fair value through equity

	12.31.2024	12.31.2023
Treasury bills, notes and government bonds	**5 152**	**3 288**
Bonds and other fixed-income securities	**6 023**	**5 031**
- Listed	4 926	4 115
- Unlisted	1 022	855
Accrued interest	74	61
Subtotal gross value of debt instruments	**11 175**	**8 319**
Of which impaired debt instruments (B3)	0	0
Impairment on performing loans (B1/B2)	(4)	(6)
Other impairment (B3)	0	0
Subtotal net value of debt instruments	**11 170**	**8 313**
Loans and receivables	**0**	**0**
- Loans and receivables due from credit institutions	0	0
- Loans and receivables due from customers	0	0
Accrued interest	0	0
Subtotal gross value of Loans	**0**	**0**
Impairment on performing loans (B1/B2)	0	0
Other impairment (B3)	0	0
Subtotal net value of Loans	**0**	**0**
Stocks and other variable-income securities	**83**	**93**
- Listed	58	67
- Unlisted	25	27
Accrued interest	0	0
Equity securities held for long-term investment	**394**	**522**
- Long-term investments	270	412
- Other long-term investments	124	110
- Shares in associates	0	0
- Translation adjustments	0	0
- Loaned securities	0	0
Accrued interest	0	0
Subtotal equity instruments	**478**	**616**
TOTAL	**11 648**	**8 929**
Of which unrealized capital gains/losses recognized in equity	(270)	(4)
Of which securities sold under repurchase agreements	0	0
Of which listed long-term investments	106	107

Equity instruments at fair value through equity mainly include investments in associates and the group's other long-term investments.
Disposals of instruments classified at fair value through equity resulted in the reclassification to reserves of a cumulative loss at the time of the sale of €1.5 million (gross of tax).

Note 5. Securities at amortized cost

	12.31.2024	12.31.2023
Treasury bills, notes and government bonds	**1 090**	**370**
Bonds and other fixed-income securities	**460**	**303**
- Listed	369	271
- Unlisted	88	31
Accrued interest	3	1
GROSS TOTAL	**1 550**	**673**
of which impaired assets (B3)	1	0
Impairment on performing loans (B1/B2)	(1)	(2)
Other impairment (B3)	(1)	0
NET TOTAL	**1 548**	**671**

Note 6. Loans and receivables due from customers

	12.31.2024	12.31.2023
Performing receivables (B1/B2)	87 000	83 833
. Commercial receivables	83	88
. Other loans to customers	86 667	83 507
- Housing loans	46 861	45 766
- Other loans and various receivables, including repurchase agreements	39 703	37 637
- Guarantee deposits paid	103	104
. Accrued interest	250	238
Individually impaired receivables (B3)	1 720	1 473
Gross receivables	**88 720**	**85 306**
Impairment on performing loans (B1/B2)	(444)	(432)
Other impairment (B3)	(789)	(681)
Subtotal I	**87 487**	**84 194**
Finance leases (net investment)	2 833	2 671
. Movable goods	1 653	1 509
. Real property	1 180	1 162
Individually impaired receivables (B3)	137	100
Gross receivables	**2 970**	**2 771**
Impairment on performing loans (B1/B2)	(32)	(31)
Other impairment (B3)	(43)	(25)
Subtotal II	**2 895**	**2 715**
TOTAL	**90 382**	**86 909**
Of which equity loans with no voting rights	17	23
Of which subordinated loans	0	0

Other loans and receivables include guarantee deposits paid which represent the payment commitments made to the Single Resolution Fund (€41.7 million) and the Fonds de Garantie des Dépôts (€59.5 million).

Note 6a. Information on delinquent payments

	Payment arrears			Guarantees relating to payment arrears
	≤ 30 days	> 30 days ≤ 90 days	> 90 days	
Equity instruments				
Debt instruments				
Central governments				
Credit institutions				
Other financial companies				
Non-financial companies				
Retail customers				
Loans and advances	**435**	**148**	**15**	**340**
Central governments	11	8		11
Credit institutions				
Other financial companies	5	1	1	4
Non-financial companies	118	44	12	99
Retail customers	302	95	1	226
Other financial assets				
TOTAL	**435**	**148**	**15**	**340**

This table includes outstandings considered performing but on which one or more delinquent payments have been observed. The reported amount consists of the total value of the commitment on which a delinquent payment has been observed, not merely the delinquent payment amount.
The age of the delinquent payment is calculated from the date on which the first delinquent payment was observed on the outstanding amount in question.

Note 6b. Restructured outstandings by type

Restructured outstandings by type as of 12/31/2024	Renegotiation of contract	Total or partial refinancing of outstanding	TOTAL
Performing outstandings	268	34	302
Non-performing outstandings - gross amounts	569	100	669
Restructured non-performing outstandings - impairment loss	(182)	(46)	(228)
Net non-performing outstandings	387	55	441

Note 7. Placement of insurance activities and reinsurers' shares in technical provisions

	12.31.2024	12.31.2023
Financial assets at fair value through profit or loss	59 986	57 002
Financial assets at fair value through equity	76	77
Loans and receivables at amortized cost	100	93
Debt instruments at amortized cost	2 654	2 642
Investment property	600	611
TOTAL	**63 417**	**60 425**

Note 7a. Financial assets at fair value through profit or loss

	12.31.2024				12.31.2023			
	Trading	Fair value option	Other FVPL	Total	Trading	Fair value option	Other FVPL	Total
Securities		**16,665**	**43,022**	**59,686**	**-**	**17,816**	**38,916**	**56,732**
- Treasury bills, notes and government bonds		5,845		5,845	-	6,007		6,007
- Bonds and other fixed-income securities		10,819	42,487	53,307	-	11,809	38,319	50,128
. Listed		9,628	27,843	37,471		9,059	22,827	31,886
. Unlisted		1,082	14,529	15,610	-	2,613	15,399	18,012
Accrued interest		110	115	225	-	138	92	230
Including UCI			30,032	30,032			25,543	25,543
- Stocks and other variable-income securities			118	118			135	135
. Listed			82	82			95	95
. Unlisted			35	35			40	40
Related receivables			1	1				
- Equity securities held for long-term investment			416	416			462	462
Derivatives held for trading purposes					**1**			**1**
Loans and receivables		**300**		**300**		**269**		**269**
of which repurchase agreements								
TOTAL		**16,965**	**43,022**	**59,986**	**1**	**18,085**	**38,916**	**57,002**

Note 7b. Financial assets at faire value through equity

	12.31.2024	12.31.2023
Treasury bills, notes and government bonds		
Bonds and other fixed-income securities		
- Listed		
- Unlisted		
Accrued interest		
Subtotal gross value of debt instruments		
Of which impaired debt instruments (B3)		
Impairment on performing loans (B1/B2)		
Other impairment (B3)		
Subtotal net value of debt instruments		
Loans and receivables		
- Loans and receivables due from credit institutions		
Accrued interest		
Subtotal gross value of Loans		
Impairment on performing loans (B1/B2)		
Other impairment (B3)		
Subtotal net value of Loans		
Stocks and other variable-income securities	**4**	**5**
- Listed	4	5
- Unlisted		
Accrued interest		
Equity securities held for long-term investment	**73**	**73**
- Long-term investments	73	73
- Other long-term investments		
- Shares in associates		
- Translation adjustments		
- Loaned securities		
Accrued interest		
Subtotal equity instruments	**76**	**77**
TOTAL	**76**	**77**
Of which unrealized capital gains/losses recognized in equity	(4)	(3)
Of which securities sold under repurchase agreements		
Of which listed long-term investments	73	73

Note 7c. Securities at amortized cost

	12.31.2024	12.31.2023
Performing receivables (B1/B2)	100	93
.Current accounts	53	16
.Loans	10	14
.Other loans and various receivables		
.Guarantee deposits paid	37	63
.repurchase agreements		
Individually impaired receivables (B3)		
Accrued interest	0	0
Impairment on performing loans (B1/B2)	0	0
Other impairment (B3)		
TOTAL	**100**	**93**

Note 7d. Loans and receivables – credit institutions

	12.31.2024	12.31.2023
Treasury bills, notes and government bonds	**635**	**589**
Bonds and other fixed-income securities	**2,022**	**2,057**
- Listed	1,903	1,939
- Unlisted	99	99
Accrued interest	19	19
GROSS TOTAL	**2,656**	**2,646**
of which impaired assets (B3)		
Impairment on performing loans (B1/B2)	(2)	(3)
Other impairment (B3)		
NET TOTAL	**2,654**	**2,642**

Note 7e. Placement of insurance activities and reinsurers' shares in technical provisions

	12.31.2023	Increase	Decrease	Fair value variation	Reclassification	Other	12.31.2024
Investment property at amortized cost	33	3	0				36
- Historical cost	67	5	(2)				70
- Amortization and impairment	(34)	(2)	2				(34)
Investment property at fair value through profit or loss	578	2	(8)	(8)			564
TOTAL	**611**	**5**	**(8)**	**(8)**			**600**

The fair value of investment real estate recognized at amortized cost amounted to €60 million at December 31, 2024 compared with €58 million at December 31, 2023.

Note 7f. Underlying items of insurance contracts with direct participation

	12.31.2024	12.31.2023
	Underlying items of contracts with direct participation	Underlying items of contracts with direct participation
Fair value through equity	0	0
- Treasury bills and similar securities	0	0
- Bonds and other debt securities	0	0
- Stocks and other equity instruments	0	0
- Equity investments and other long-term investments	0	0
- Shares in associates	0	0
- Loans and receivables	0	0
Fair value through profit or loss	59,981	57,171
- Treasury bills and similar securities	5,845	6,007
- Bonds and other debt securities	52,737	49,720
- Stocks and other equity instruments	118	135
- Equity investments and other long-term investments	416	462
- Shares in associates	0	0
- Loans and receivables	300	269
- Derivatives and other financial assets - Trading	0	1
- Investment property	564	578
Hedging derivatives	0	0
Amortized cost	298	103
- Loans and receivables - credit institutions	271	73
- Loans and receivables - customers	1	4
- Treasury bills and other debt securities	0	0
- Investment property	25	25
TOTAL	**60,278**	**57,274**

Note 8. Current taxes

	12.31.2024	12.31.2023
Assets (through profit or loss)	182	207
Liabilities (through profit or loss)	52	88

Note 9. Deferred taxes

	12.31.2024	12.31.2023
Assets (through profit or loss)	2	2
Assets (through equity)	174	172
Liabilities (through profit or loss)	231	192
Liabilities (through equity)	86	111

Deferred taxes by major category

	12.31.2024	12.31.2023
Loss carryforwards	3	2
Temporary differences on:		
Deferred capital gains or losses on securities at fair value through equity	46	18
Change in credit risk of liabilities at fair value through profit or loss by option	1	0
Unrealized gains or losses on cash flow hedges		
Unrealized gains or losses on actuarial differences	35	35
Remeasurement of insurance and reinsurance contracts in recyclable equity	6	8
Provisions for non-deductible contingencies and charges	85	91
Insurance restatements	(328)	(247)
Unrealized reserves of finance leases	(53)	(33)
Other temporary differences	64	(3)
Total net deferred taxes	**(141)**	**(129)**

Note 10. Accruals, prepayments and sundry assets

	12.31.2024	12.31.2023
Accruals – assets		
Receivables collection	253	378
Foreign currency adjustment accounts	44	41
Accrued income	123	81
Miscellaneous accrual accounts	262	288
Subtotal	**682**	**788**
Other assets*		
Settlement accounts for securities transactions	178	122
Various debtors	199	579
Inventories and similar	2	2
Other miscellaneous applications of funds	1	2
Subtotal gross value of other assets	**379**	**704**
Impairment on performing loans (B1/B2)		
Other impairment (B3)	(3)	(4)
Subtotal net value of other assets	**377**	**700**
TOTAL	**1 059**	**1 488**

*Includes “other assets” not specific to insurance within the insurance scope.

Note 11. Investments in associates

	12.31.2024			12.31.2023		
	Associates investments	Share of earnings	Dividends received	Associates investments	Share of earnings	Dividends received
Caisse Centrale du Crédit Mutuel	189	7	4	187	5	3
BELLATRIX	38	0	0	26	0	0
SWEN Capital Partners	19	4	3	17	13	2
Autres	0	(1)	0	8	(2)	0
TOTAL BRUT	**246**	**10**	**7**	**239**	**15**	**5**

Supplementary information on main investments in associates (IFRS) at December 31, 2024

	Total assets	NBI	Gross operating income	Net income	OCI	Shareholders' equity
Caisse Centrale du Crédit Mutuel	9 810	54	45	35	(33)	933
BELLATRIX	101	0	(1)	(1)	0	101
SWEN Capital Partners	66	48	14	11	0	47

Note 12. Investment real estate - banking activity

	12.31.2023	Increase	Decrease	Other	12.31.2024
Historical cost	213	2	(3)	0	211
Amortization and impairment	(67)	(7)	3	0	(71)
NET AMOUNT	**146**	**(5)**	**0**	**0**	**140**

The fair value of investment real estate recognized at cost amounted to €172 million at December 31, 2024 compared with €180 million at December 31, 2023.

Note 13. Property, plant and equipment

	12.31.2023	Increase	Decrease	Other	12.31.2024
Historical cost					
Land	22	9	0	0	30
Plant	607	53	(9)	0	651
Rights of use - Property	128	33	(7)	0	155
Other property, plant and equipment	343	75	(53)	0	365
Total	**1 099**	**171**	**(69)**	**0**	**1 201**
Amortization and impairment					
Land	0	0	0	0	0
Plant	(445)	(18)	10	0	(453)
Rights of use - Property	(62)	(17)	12	0	(67)
Other property, plant and equipment	(249)	(18)	7	0	(259)
Total	**(757)**	**(53)**	**30**	**0**	**(779)**
NET AMOUNT	**342**	**119**	**(40)**	**0**	**422**

Note 14. Intangible assets

	12.31.2023	Increase	Decrease	Other	12.31.2024
Historical cost					
Self-produced assets	842	134	(1)	0	975
Acquired assets	970	193	(185)	0	978
Software	492	41	(30)	0	503
Other	478	152	(155)	0	475
Total	**1 812**	**327**	**(185)**	**0**	**1 953**
Amortization and impairment					
Self-produced assets	(644)	(48)	1	0	(691)
Acquired assets	(548)	(21)	28	0	(542)
Software	(430)	(15)	27	0	(418)
Other	(118)	(6)	1	0	(123)
Total	**(1 192)**	**(70)**	**29**	**0**	**(1 232)**
NET AMOUNT	**620**	**257**	**(156)**	**0**	**721**

Note 15. Goodwill

	12.31.2023	Increase	Decrease	Other	12.31.2024
Gross goodwill	529	0	0	0	529
Impairment	(56)	(11)	0	0	(67)
Net goodwill	**474**	**(11)**	**0**	**0**	**463**

Allocation by Division

Division	Entities	12.31.2024	12.31.2023
Retail customers	Arkéa Direct Bank	260	260
B2B and Specialized Services	CFCAL Banque	11	22
B2B and Specialized Services	Monext	100	100
B2B and Specialized Services	Procapital	63	63
Products	Arkéa Real Estate / AREIM	17	17
Products	Schelcher Prince Gestion	12	12
Net goodwill		**463**	**474**

Note 16. Central banks - Due to credit institutions

	12.31.2024	12.31.2023
Due from central banks		
Liabilities to credit institutions (1)	**4,309**	**6,748**
Current accounts	560	514
Loans	1,427	1,257
Guarantee deposits received	233	455
Other liabilities	47	55
Repurchase agreements	2,011	4,365
Accrued interest	31	103
TOTAL	**4,309**	**6,748**
of which deposits and demand loans with credit institutions	578	542

(1) Of which €829 million related to insurance activity.

Note 17. Financial liabilities at fair value through profit or loss

	12.31.2024	12.31.2023
Financial liabilities held for trading purposes	**397**	**532**
.Short selling of securities	0	0
- Treasury bills, notes and government bonds	0	0
- Bonds and other fixed-income securities	0	0
- Stocks and other variable-income securities	0	0
.Payables on securities sold under repurchase agreements	0	0
.Derivatives	397	532
.Other financial liabilities held for trading purposes	0	0
Fair value option financial liabilities through profit or loss	**2 371**	**2 205**
Liabilities to credit institutions	0	0
Liabilities to customers	553	525
Debt securities	1 818	1 680
Subordinated debt	0	0
TOTAL	**2 769**	**2 737**

The settlement value of financial liabilities at fair value through profit or loss was €2,749 million at December 31, 2024 versus €2,775 million at December 31, 2023.

Note 17a. Fair value option financial liabilities through profit or loss

	12.31.2024			12.31.2023		
	Carrying amount	Amount due at maturity	Difference	Carrying amount	Amount due at maturity	Difference
Liabilities to credit institutions	0	0	0	0	0	0
Liabilities to customers (1)	553	571	(18)	525	553	(27)
Debt securities	1,818	1,781	37	1,680	1,690	(10)
Subordinated debt	0	0	0	0	0	0
TOTAL	2,371	2,352	19	2,205	2,243	(38)

(1) Including a carrying amount of €399 million related to the scope of the insurance activities (Pure Unit-Linked Contracts).

Note 17b. Financial assets and liabilities subject to netting, an enforceable master netting agreement or a similar agreement

12.31.2024

	Gross amount of financial assets / liabilities recognized	Gross amount of financial assets / liabilities recognized and netted on the balance sheet	Net amount of financial assets / liabilities shown on the balance sheet	Related amounts not netted on the balance sheet			Net amount
				Impact of master netting agreements	Financial instruments received/given as guarantees	Cash collateral	
Assets							
Derivatives	3,682		3,682	(3,197)		(308)	177
Reverse repurchase agreements of securities, securities	4,152	(2,986)	1,166		(1,111)		55
Other financial instruments							
Total assets	7,834	(2,986)	4,848	(3,197)	(1,111)	(308)	232
Liabilities							
Derivatives	3,463		3,463	(3,197)		(152)	114
Repurchase agreements of securities, securities	5,022	(2,986)	2,036		(2,032)	(3)	
Other financial instruments							
Total liabilities	8,485	(2,986)	5,499	(3,197)	(2,032)	(155)	114

12.31.2023

	Gross amount of financial assets / liabilities recognized	Gross amount of financial assets / liabilities recognized and netted on the balance sheet	Net amount of financial assets / liabilities shown on the balance sheet	Related amounts not netted on the balance sheet			Net amount
				Impact of master netting agreements	Financial instruments received/given as guarantees	Cash collateral	
Assets							
Derivatives	4,418		4,418	(3,629)		(525)	263
Reverse repurchase agreements of securities, securities	3,494	(1,589)	1,904		(1,837)		67
Other financial instruments							
Total assets	7,911	(1,589)	6,322	(3,629)	(1,837)	(525)	330
Liabilities							
Derivatives	4,012		4,012	(3,629)		(141)	242
Repurchase agreements of securities, securities	6,050	(1,589)	4,461		(4,436)	(20)	5
Other financial instruments							
Total liabilities	10,062	(1,589)	8,473	(3,629)	(4,436)	(161)	247

Note 18. Debt securities

	12.31.2024	12.31.2023
Certificates of deposit	11	10
Interbank market securities and negotiable debt securities	4 789	5 531
Bond issues	18 111	15 537
Non-preferred senior debt	2 702	3 118
Accrued interest	330	247
TOTAL	**25 943**	**24 443**

Note 19. Liabilities to customers

	12.31.2024	12.31.2023
Savings accounts governed by special regulations	39 705	37 685
Sight accounts	35 230	32 578
Term accounts	4 475	5 107
Accrued interest on savings accounts	889	793
Subtotal	**40 594**	**38 478**
Current accounts	30 524	30 661
Term accounts and term loans	17 564	15 362
Repurchase agreements	0	0
Accrued interest	463	458
Guarantee deposits received	97	121
Subtotal	**48 648**	**46 603**
TOTAL	**89 241**	**85 081**

Note 20. Accruals, deferred income and sundry liabilities

	12.31.2024	12.31.2023
Accruals – liabilities		
Blocked accounts for collection operations	422	609
Foreign currency adjustment accounts	43	38
Accrued expenses	230	229
Deferred income	338	308
Miscellaneous accrual accounts	164	283
Subtotal	**1 197**	**1 468**
Other liabilities*		
Lease liabilities - Property	80	58
Settlement accounts for securities transactions	443	350
Outstanding payments on securities	4	3
Miscellaneous creditors	4 363	3 221
Subtotal	**4 891**	**3 633**
TOTAL	**6 088**	**5 100**

*Includes "other liabilities" not specific to insurance within the insurance scope.

Note 20a. Breakdown of lease liabilities according to maturity

	less than 1 year	1 year to 3 years	3 years to 6 years	6 years to 9 years	more than 9 years	TOTAL
Property	16	27	24	13	0	80
Information technology	0	0	0	0	0	0
Other	0	0	0	0	0	0
Lease liabilities	**16**	**27**	**24**	**13**	**0**	**80**

Within the group, lease liabilities relate only to property contracts.

Note 21. Reinsurance contract and insurance contract liabilities

	12.31.2024		12.31.2023	
	Reinsurance contracts assets	Insurance contracts liabilities	Reinsurance contracts assets	Insurance contracts liabilities
Liabilities on insurance contracts issued		55,001		52,679
of which liabilities and receivables related to insurance liabilities issued		(329)		(340)
Assets on reinsurance contracts held	163		217	
of which liabilities and receivables related to assets on reinsurance contracts issued	-10		3	
	163	**55,001**	**217**	**52,679**

Reinsurance assets in the amount of €163M at 31 December 2024 included:

- Reinsurance treaties held measured under the general model for €70M (versus €68 at 31 December 2023), including the present value of cash flows for €37M, non-financial risk for €12M and the contractual service margin for €95M.
- Reinsurance treaties held measured under the simplified model for €103M (versus €147M at 31 December 2023), including the present value of cash flows for €98 and non-financial risk for €5M.

Note 21a. Liabilities on insurance contracts issued

Distinction between insurance liabilities or remaining coverage and for uncured claims

	12.31.2024					
	Remaining coverage		Incurred claims			
				Contracts measured under the simplified approach		
	Excluding loss component	Loss component	Contracts measured under the general model	Estimated present value of future cash flows	Non-financial risk	TOTAL
Insurance contracts assets, beginning of the year	0	0	0	0	0	0
Insurance contracts liabilities, beginning of the year	52,262	10	315	417	16	53,020
Opening balance	**52,262**	**10**	**315**	**417**	**16**	**53,020**
Income from insurance contracts issued	**(1,180)**	**0**	**0**	**0**	**0**	**(1,180)**
Claims expenses and other insurance expenses incurred during the year		0	204	356	8	567
Amortisation of acquisition cash flows	146					146
Loss on onerous contracts		0				0
Changes related to claims incurred in previous years			5	0	(4)	1
Expenses related to insurance contracts issued	**146**	**0**	**209**	**356**	**4**	**715**
Profit or loss on insurance activities	**(1,034)**	**0**	**209**	**356**	**4**	**(465)**
Net financial expenses on insurance contracts	1,531	0	0	8	0	1,539
Impact of rates	-7	0	0	6	0	-1
Impact of changes in exchange rates	0	0	0	0	0	0
Others	0	0	0	14	0	14
TOTAL changes recognised in profit and loss and in other comprehensive income	**489**	**0**	**209**	**384**	**5**	**1,087**
Investment component	**(4,106)**	**0**	**4,106**	**0**	**0**	**0**
Premiums received	5,982					5,982
Claims and expenses paid, including investment component			(4,305)	(390)	0	(4,694)
Contract acquisition cash flows	(65)					(65)
Total cash flows	**5,917**	**0**	**(4,305)**	**(390)**	**0**	**1,223**
Insurance contracts assets, end of the year	0	0	0	0	0	0
Insurance contracts liabilities, end of the year	54,563	10	326	411	21	55,330
Closing balance	**54,563**	**10**	**326**	**411**	**21**	**55,330**

	12.31.2023					
	Remaining coverage		Incurred claims			
	Excluding loss component	Loss component	Contracts measured under the general model	Contracts measured under the simplified approach		TOTAL
				Estimated present value of future cash flows	Non-financial risk	
Insurance contracts assets, beginning of the year	0	0	0	0	0	0
Insurance contracts liabilities, beginning of the year	49,217	8	327	337	13	49,902
Opening balance	**49,217**	**8**	**327**	**337**	**13**	**49,902**
Income from insurance contracts issued	**(1,140)**	**0**	**0**	**0**	**0**	**(1,140)**
Claims expenses and other insurance expenses incurred during the year		0	221	377	5	603
Amortisation of acquisition cash flows	128					128
Loss on onerous contracts		1				1
Changes related to claims incurred in previous years			2	31	(2)	31
Expenses related to insurance contracts issued	**128**	**1**	**224**	**408**	**3**	**764**
Profit or loss on insurance activities	**(1,012)**	**1**	**224**	**408**	**3**	**(377)**
Net financial expenses on insurance contracts	2,913	0	0	4	0	2,917
Impact of rates	3	0	0	7	0	11
Impact of changes in exchange rates	-61	0	0	0	0	-61
TOTAL changes recognised in profit and loss and in other comprehensive income	**1,843**	**1**	**224**	**419**	**3**	**2,491**
Investment component	**(3,958)**	**0**	**3,958**	**0**	**0**	**0**
Premiums received	5,268					5,268
Claims and expenses paid, including investment component			(4,193)	(339)	0	(4,533)
Contract acquisition cash flows	(108)					(108)
Total cash flows	**5,160**	**0**	**(4,193)**	**(339)**	**0**	**627**
Insurance contracts assets, end of the year	0	0	0	0	0	0
Insurance contracts liabilities, end of the year	52,262	10	315	417	16	53,020
Closing balance	**52,262**	**10**	**315**	**417**	**16**	**53,020**

Distinction between unsurance liabilities (BE, RA, CSM) – Not measured using the premium allocation approach (PAA)

	12.31.2024			
	Present value of future cash flows	Non-financial risk	Contractual service margin	TOTAL
Insurance contracts assets, beginning of the year	0	0	0	0
Insurance contracts liabilities, beginning of the year	48,060	675	3,685	52,420
Opening balance	**48,060**	**675**	**3,685**	**52,420**
Change in the contractual service margin recognized in profit or loss			(364)	(364)
Change in the adjustment for non-financial risk over the period		(52)		(52)
Experience adjustments	(21)			(21)
Changes related to services rendered during the period	**(21)**	**(52)**	**(364)**	**(437)**
Contracts recognized during the period	(243)	47	196	0
Changes in estimates leading to an adjustment of the contractual service margin	(111)	26	85	0
Changes in estimates leading to losses or reversals of losses on groups of onerous contracts	0	0	0	0
Changes related to future services	**(354)**	**73**	**281**	**0**
Changes in performance cash flows in respect of incurred claims	6	(1)		5
Changes related to past services	**6**	**(1)**	**0**	**5**
Profit or loss on insurance activities	**(368)**	**20**	**(83)**	**(431)**
Net financial expenses on insurance contracts	1,525	1	5	1,531
Impact of rates	(10)	3	0	(7)
Impact of changes in exchange rates	0	0	0	0
TOTAL changes in profit or loss and other comprehensive income	**1,146**	**24**	**(78)**	**1,093**
Premiums received	5,567	0	0	5,567
Claims and expenses paid, including investment component	(4,305)	0	0	(4,305)
Contract acquisition cash flows	(55)	0	0	(55)
TOTAL cash flows	**1,207**	**0**	**0**	**1,207**
Assets on insurance contracts, end of the year	0	0	0	0
Liabilities on insurance contracts, end of the year	50,414	699	3,607	54,720
Closing balance	**50,414**	**699**	**3,607**	**54,720**

	12.31.2023			
	Present value of future cash flows	Non-financial risk	Contractual service margin	TOTAL
Insurance contracts assets, beginning of the year	0	0	0	0
Insurance contracts liabilities, beginning of the year	44,972	622	3,804	49,398
Opening balance	**44,972**	**622**	**3,804**	**49,398**
Change in the contractual service margin recognized in profit or loss			(376)	(376)
Change in the adjustment for non-financial risk over the period		(48)		(48)
Experience adjustments	(5)			(5)
Changes related to services rendered during the period	**(5)**	**(48)**	**(376)**	**(429)**
Contracts recognized during the period	(200)	42	158	0
Changes in estimates leading to an adjustment of the contractual service margin	(155)	57	98	0
Changes in estimates leading to losses or reversals of losses on groups of onerous contracts	0	0	0	0
Changes related to future services	**(355)**	**99**	**256**	**0**
Changes in performance cash flows in respect of incurred claims	2	0		2
Changes related to past services	**2**	**0**	**0**	**2**
Profit or loss on insurance activities	**(358)**	**52**	**(120)**	**(427)**
Net financial expenses on insurance contracts	2,912	0	2	2,913
Impact of rates	2	1	0	3
Impact of changes in exchange rates	(61)	0	0	(61)
TOTAL changes in profit or loss and other comprehensive income	**2,495**	**53**	**(119)**	**2,429**
Premiums received	4,889	0	0	4,889
Claims and expenses paid, including investment component	(4,193)	0	0	(4,193)
Contract acquisition cash flows	(102)	0	0	(102)
TOTAL cash flows	**594**	**0**	**0**	**594**
Assets on insurance contracts, end of the year	0	0	0	0
Liabilities on insurance contracts, end of the year	48,060	675	3,685	52,420
Closing balance	**48,060**	**675**	**3,685**	**52,420**

Insurance liabilities initially recognised during the period

(in million euros)	12.31.2024 Profitable contracts issued	12.31.2024 Onerous contracts	12.31.2024 TOTAL	12.31.2023 Profitable contracts issued	12.31.2023 Onerous contracts	12.31.2023 TOTAL
Cash flows related to acquisition costs	94	0	94	113	0	113
Expected claims and other expenses related to insurance activities	3,718	0	3,718	3,398	0	3,398
Estimated present value of future cash outflows	3,813	0	3,813	3,511	0	3,511
Estimated present value of future cash inflows	(4,056)	0	(4,056)	(3,711)	0	(3,711)
Adjustment for non-financial risk	47	0	47	42	0	42
Contractual service margin	196		196	158		158
Loss on insurance contracts held and initially recognized during the period	0	0	0	0	0	0

Note 21b. Expected recognition in profit or loss of the contractual service margin

(in milliion euros)	12.31.2024 Less than 1 year	12.31.2024 Between 1 and 5 years	12.31.2024 More than 5 years	12.31.2024 TOTAL	12.31.2023 Less than 1 year	12.31.2023 Between 1 and 5 years	12.31.2023 More than 5 years	12.31.2023 TOTAL
Contractual services margin on insurance contracts	1,285	854	1,468	**3,607**	1,282	864	1,539	**3,685**

Note 21c. Residual maturities of insurance and reinsurance liabilities

	12.31.2024				12.31.2023			
	Residual maturity				Residual maturity			
(in million euros)	Less than 1 year	Between 1 and 5 years	More than 5 years	TOTAL	Less than 1 year	Between 1 and 5 years	More than 5 years	TOTAL
Insurance contracts	2,797	8,188	39,839	50,824	2,401	7,614	38,462	48,477

Note 22. Provisions

	12.31.2023	Allocations	Write-backs (used)	Write-backs (unused)	Other	12.31.2024
Provisions for pension obligations	177	21	(2)	(9)		187
Provisions for home savings accounts and plans	10			(4)		6
Provisions for expected losses on credit risk of off-balance sheet commitments within the banking scope	40	29		(24)		44
Provisions for execution of guarantee commitments						
Provisions for taxes	1			(1)		
Provisions for lawsuits	9	4	(1)	(3)	1	11
Provisions for contingencies	2	1	(1)			1
Other	13	3	(2)	(3)	(1)	10
TOTAL	**251**	**58**	**(6)**	**(44)**	**0**	**259**

Note 22a. Pension obligations and similar benefits

Defined benefit pension obligations and other long-term benefits

	12.31.2023	Allocations	Write-backs	Other	12.31.2024
Retirement benefits	24	6	(5)	0	25
Retirement pension supplements	0				0
Length-of-service awards	49	5	(3)		50
Time savings accounts	104	10	(3)		111
TOTAL	**177**	**21**	**(11)**	**0**	**187**

Note 22b. Provisions for regulated savings product risks

Home savings accounts and plans during the savings phase: deposits and provisions

	12.31.2024		12.31.2023	
	Deposits	Provisions	Deposits	Provisions
Home savings plans	4 424	3	5 040	3
Under 4 years old	453	0	425	0
Between 4 and 10 years old	645	0	735	1
Over 10 years old	3 326	2	3 879	1
Home savings accounts	904	3	881	8
TOTAL	**5 328**	**6**	**5 921**	**10**

Loans granted under home savings accounts and plans: deposits and provisions

	12.31.2024		12.31.2023	
	Deposits	Provisions	Deposits	Provisions
Home savings plans	20	0	3	0
Home savings accounts	10	0	5	0
TOTAL	**30**	**0**	**8**	**0**

Note 22c. Provisions for expected losses on credit risk of off-balance sheet commitments within the banking scope

	12.31.2023	Allocations	Write-backs	Other	12.31.2024
Commitments given					
12-month expected losses	19	11	(15)	0	16
Lifetime expected losses for non-impaired assets	8	5	(6)	0	7
Lifetime expected losses for impaired assets (instruments impaired or not at acquisition/creation)	13	12	(4)	0	21
TOTAL	**40**	**29**	**(24)**	**0**	**44**

Note 23. Subordinated debt

	12.31.2024	12.31.2023
Subordinated debt	2 203	2 135
Equity loans with no voting rights	3	3
Undated subordinated debt	74	84
Other liabilities	0	0
Accrued interest	63	50
TOTAL	**2 343**	**2 272**

Main subordinated debt at December 31, 2024

ISSUER	ISSUE DATE	AMOUNT	CURRENCY	INTEREST RATE	DUE DATE
Crédit Mutuel Arkéa	07.05.2004	75	Euro	10-year CMS + 0.10	Undated
Crédit Mutuel Arkéa	06.01.2016	500	Euro	3,25%	06.01.2026
Crédit Mutuel Arkéa	02.09.2017	500	Euro	3,50%	02.09.2029
Crédit Mutuel Arkéa	10.25.2017	500	Euro	1,88%	10.25.2029
Crédit Mutuel Arkéa	03.11.2019	750	Euro	3,38%	03.11.2031
TOTAL		**2 325**			

Note 24. Share capital and additional paid-in capital - Consolidated reserves

	12.31.2024	12.31.2023
Share capital	3 040	2 889
Additional paid-in capital	5	5
Consolidated reserves	6 835	6 506
Legal reserve	601	568
Reserves provided for in the by-laws and contractual reserves	2 625	2 521
Regulated reserves	0	0
Translation adjustments	0	0
Other reserves	3 533	3 352
Retained earnings	75	65
TOTAL	**9 880**	**9 401**

The group's share capital consists of shares held by the credit institution’s customer shareholders.

Note 25. Gains and losses recognized directly in equity

	12.31.2024	12.31.2023
Non-recyclable equity instruments at fair value through equity by option	(131)	49
Recyclable debt instruments at fair value through equity	(100)	(36)
Equity instruments at fair value through non-recyclable equity of the insurance business	(2)	(1)
Debt instruments at fair value through recyclable equity of the insurance business	0	0
Remeasurement of insurance and reinsurance contracts in recyclable equity	(19)	(23)
Impacts of the remeasurement of insurance contracts using the VFA - non-recyclable	-	-
Change in fair value attributable to credit risk presented in other items of comprehensive income for the liabilities	(4)	0
Cash flow hedge derivatives	0	0
Real estate assets	-	-
Other	(102)	(101)
TOTAL	**(358)**	**(114)**

Note 26.a Breakdown of financial liabilities according to maturity - banking activity

	Residual maturity					
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Indefinite	Total
Liabilities at fair value through profit or loss	10	38	294	1,989	-	2,331
Derivatives used for hedging purposes	-	-	-	-	3,066	3,066
Liabilities to credit institutions	853	1,656	779	161	-	3,450
Liabilities to customers	69,452	3,861	10,786	5,160	-	89,259
Debt securities	1,700	3,248	9,461	11,534	-	25,943
Subordinated debt	-	497	490	1,355	-	2,343

Note 26.b Breakdown of financial liabilities according to maturity - insurance activity

	Residual maturity					
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Indefinite	Total
Liabilities at fair value through profit or loss	0	0	38	-	399	438
Derivatives used for hedging purposes	0	0	0	0	0	0
Liabilities to credit institutions	527	303	-	-	29	859
Liabilities to customers	0	0	0	0	0	0
Debt securities	0	0	0	0	0	0
Subordinated debt	0	0	0	0	0	0

Note 27a. Fair value ranking – banking activity

12.31.2024

Financial assets	Level 1	Level 2	Level 3	Total
FVOCI	**9,643**	**1,692**	**313**	**11,648**
- Treasury bills and similar securities - FVOCI (1) (2)	4,474	676	0	5,150
- Bonds and other fixed-income securities - FVOCI (3)	5,004	1,017	0	6,021
- Stocks and other variable-income securities - FVOCI	58	0	25	83
- Equity investments and other long-term investments - FVOCI	106	0	288	394
- Shares in associates - FVOCI	0	0	0	0
- Loans and receivables due from credit institutions - FVOCI	**0**	**0**	**0**	**0**
- Loans and receivables due from customers - FVOCI	0	0	0	0
Trading/FVO/Other	**14**	**693**	**1,189**	**1,897**
- Treasury bills and similar securities - Trading	0	0	0	0
- Treasury bills and similar securities - Fair value option	0	0	0	0
- Treasury bills and similar securities - Other FVTPL	0	0	0	0
- Bonds and other fixed-income securities - Trading	0	0	0	0
- Bonds and other fixed-income securities - Fair value option	0	0	0	0
- Bonds and other fixed-income securities - Other FVTPL	14	296	333	643
- Stocks and other variable-income securities - Trading	0	0	0	0
- Stocks and other variable-income securities - Other FVTPL	0	0	772	772
- Loans and receivables due from credit institutions - Fair value option	0	0	0	0
- Loans and receivables due from credit institutions - Other FVTPL	0	0	0	0
- Loans and receivables due from customers - Fair value option	0	7	0	7
- Loans and receivables due from customers - Other FVTPL	0	1	0	1
- Derivatives and other financial assets - Trading	0	390	0	390
- Other assets classified at FVTPL	0	0	83	83
Derivatives used for hedging purposes	**0**	**3,293**	**0**	**3,293**
Total	**9,657**	**5,678**	**1,502**	**16,837**
Financial liabilities				
Trading/FVO	**0**	**2,331**	**0**	**2,331**
- Amounts due to credit institutions - Fair value option	0	0	0	0
- Amounts due to customers - Fair value option	0	154	0	154
- Debt securities - Fair value option	0	1,818	0	1,818
- Derivatives and other financial liabilities - Trading	0	359	0	359
Derivatives used for hedging purposes	**0**	**3,066**	**0**	**3,066**
Total	**0**	**5,396**	**0**	**5,396**

(1) Transfers from level 2 to level 1 were made in the amount of €413 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(2) Transfers from level 1 to level 2 were made in the amount of €44 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.
(3) Transfers from level 2 to level 1 were made in the amount of €136million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.

12.31.2023

Financial assets	Level 1	Level 2	Level 3	Total
FVOCI	**6 599**	**1 888**	**442**	**8 929**
- Treasury bills and similar securities - FVOCI (1)	2 640	645	0	3 285
- Bonds and other fixed-income securities - FVOCI (2) (3)	3 785	1 243	0	5 028
- Stocks and other variable-income securities - FVOCI	67	0	27	93
- Equity investments and other long-term investments - FVOCI	107	0	415	522
- Shares in associates - FVOCI	0	0	0	0
- Loans and receivables due from credit institutions - FVOCI	**0**	**0**	**0**	**0**
- Loans and receivables due from customers - FVOCI	0	0	0	0
Trading/FVO/Other	**10**	**762**	**1 104**	**1 876**
- Treasury bills and similar securities - Trading	0	0	0	0
- Treasury bills and similar securities - Fair value option	0	0	0	0
- Treasury bills and similar securities - Other FVTPL	0	0	0	0
- Bonds and other fixed-income securities - Trading	0	0	0	
- Bonds and other fixed-income securities - Fair value option	0	0	0	0
- Bonds and other fixed-income securities - Other FVTPL (4) (5)	10	280	285	576
- Stocks and other variable-income securities - Trading	0	0	0	0
- Stocks and other variable-income securities - Other FVTPL	0	0	732	732
- Loans and receivables due from credit institutions - Fair value option	0	0	0	0
- Loans and receivables due from credit institutions - Other FVTPL	0	0	0	0
- Loans and receivables due from customers - Fair value option	0	10	0	10
- Loans and receivables due from customers - Other FVTPL	0	0	0	0
- Derivatives and other financial assets - Trading	0	471	0	471
- Other assets classified at FVTPL (5)	0	0	86	86
Derivatives used for hedging purposes	**0**	**3 945**	**0**	**3 945**
Total	**6 609**	**6 595**	**1 546**	**14 750**
Financial liabilities				
Trading/FVO	**0**	**2 356**	**0**	**2 356**
- Amounts due to credit institutions - Fair value option	0	0	0	0
- Amounts due to customers - Fair value option	0	177	0	177
- Debt securities - Fair value option	0	1 680	0	1 680
- Derivatives and other financial liabilities - Trading	0	499	0	499
Derivatives used for hedging purposes	**0**	**3 480**	**0**	**3 480**
Total	**0**	**5 836**	**0**	**5 836**

(1) Transfers from level 2 to level 1 were made in the amount of €48 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(2) Transfers from level 1 to level 2 were made in the amount of €150 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.
(3) Transfers from level 2 to level 1 were made in the amount of €4 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(4) Transfers from level 2 to level 1 were made in the amount of €1 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(5) Transfers from level 3 to level 2 were made in the amount of €1 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.

Note 27b. Fair value ranking – insurance activity

12.31.2024

Financial assets	Level 1	Level 2	Level 3	Total
FVOCI	**60**		**16**	**76**
- Treasury bills and similar securities - FVOCI				
- Bonds and other fixed-income securities - FVOCI				
- Stocks and other variable-income securities - FVOCI	4			4
- Equity investments and other long-term investments - FVOCI	57		16	73
- Shares in associates - FVOCI				
- Loans and receivables due from credit institutions - FVOCI				
- Loans and receivables due from customers - FVOCI				
Trading/FVO/Other	**36,052**	**13,947**	**9,987**	**59,986**
- Treasury bills and similar securities - Trading				
- Treasury bills and similar securities - Fair value option (1) (4)	5,726	119		5,845
- Treasury bills and similar securities - Other FVTPL				
- Bonds and other fixed-income securities - Trading				
- Bonds and other fixed-income securities - Fair value option (2) (5)	8,283	2,536	0	10,819
- Bonds and other fixed-income securities - Other FVTPL (3)	21,960	11,276	9,251	42,487
- Stocks and other variable-income securities - Trading				
- Stocks and other variable-income securities - Other FVTPL	82	16	435	534
- Loans and receivables - Fair value option			300	300
- Loans and receivables - Other FVTPL				
- Derivatives and other financial assets - Trading				
Derivatives used for hedging purposes				
Total	**36,112**	**13,947**	**10,003**	**60,063**
Financial liabilities				
Trading/FVO		**438**		**438**
- Amounts due to credit institutions - Fair value option				
- Amounts due to customers - Fair value option		399		399
- Debt securities - Fair value option				
- Derivatives and other financial liabilities - Trading		39		39
Derivatives used for hedging purposes				
Total		**438**		**438**

(1) Transfers from level 1 to level 2 were made in the amount of €98 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.
(2) Transfers from level 1 to level 2 were made in the amount of €11 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.
(3) Transfers from level 1 to level 2 were made in the amount of €34 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.
(4) Transfers from level 2 to level 1 were made in the amount of €164 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(5) Transfers from level 2 to level 1 were made in the amount of €13 million. They consisted mainly of equities whose characteristics correspond to level 1 criteria.
(6) Transferts from level 2 to level 3 were made in the amount of €269 million. They consisted mainly of loans and advances whose characteristics correspond to level 3 criteria.

12.31.2023

Financial assets	Level 1	Level 2	Level 3	Total
FVOCI	62	0	16	77
- Treasury bills and similar securities - FVOCI	0	0	0	0
- Bonds and other fixed-income securities - FVOCI	0	0	0	0
- Stocks and other variable-income securities - FVOCI	5	0	0	5
- Equity investments and other long-term investments - FVOCI	57	0	16	73
- Shares in associates - FVOCI	0	0	0	0
- Loans and receivables due from credit institutions - FVOCI	**0**	**0**	**0**	**0**
- Loans and receivables due from customers - FVOCI				0
Trading/FVO/Other	32 076	14 984	9 942	57 002
- Treasury bills and similar securities - Trading	0	0	0	0
- Treasury bills and similar securities - Fair value option (1)	5 838	169	0	6 007
- Treasury bills and similar securities - Other FVTPL	0	0	0	0
- Bonds and other fixed-income securities - Trading	0	0	0	0
- Bonds and other fixed-income securities - Fair value option (2) (3)	8 754	3 055	0	11 809
- Bonds and other fixed-income securities - Other FVTPL (4) (5)	17 389	11 473	9 458	38 319
- Stocks and other variable-income securities - Trading	0	0	0	0
- Stocks and other variable-income securities - Other FVTPL	95	18	485	597
- Loans and receivables - Fair value option	0	269	0	269
- Loans and receivables - Other FVTPL	0	0	0	0
- Derivatives and other financial assets - Trading	0	1	0	1
Derivatives used for hedging purposes	**0**	**0**	**0**	**0**
Total	**32 137**	**14 984**	**9 958**	**57 079**
Financial liabilities				
Trading/FVO	**0**	**381**	**0**	**381**
- Amounts due to credit institutions - Fair value option	0	0	0	0
- Amounts due to customers - Fair value option	0	348	0	348
- Debt securities - Fair value option	0	0	0	0
- Derivatives and other financial liabilities - Trading	0	33	0	33
Derivatives used for hedging purposes	**0**	**0**	**0**	**0**
Total	**0**	**381**	**0**	**381**

(1) Transfers from level 2 to level 1 were made in the amount of €17 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(2) Transfers from level 1 to level 2 were made in the amount of €19 million. They consisted mainly of bonds whose characteristics correspond to level 2 criteria.
(3) Transfers from level 2 to level 1 were made in the amount of €18 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(4) Transfers from level 2 to level 1 were made in the amount of €56 million. They consisted mainly of bonds whose characteristics correspond to level 1 criteria.
(5) Transfers from level 3 to level 2 were made in the amount of €9 million. They consisted mainly of equities whose characteristics correspond to level 2 criteria.

Note 27c. Fair value ranking – details of level 3 - banking activity

	Opening balance	Purchases	Issues	Sales	Repayments	Transfers	Gains and losses through profit or loss	Gains and losses in equity	Other changes	Closing balance	Transfers L1, L2 => L3	Transfers L3 => L1, L2
Financial assets												
FVOCI	**442**	**28**	**6**	**(2)**	**0**	**0**	**0**	**(180)**	**19**	**313**	**0**	**0**
- Treasury bills and similar securities - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Stocks and other variable-income securities - FVOCI	27	0	0	0	0	0	0	1	(3)	25	0	0
- Equity investments and other long-term investments - FVOCI	415	28	6	(2)	0	0	0	(181)	22	288	0	0
- Shares in associates - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from credit institutions - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from customers - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
Trading/FVO/Other	**1,104**	**96**	**0**	**(50)**	**(12)**	**0**	**55**	**0**	**(3)**	**1,189**	**0**	**0**
- Treasury bills and similar securities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Treasury bills and similar securities - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Treasury bills and similar securities - Other FVTPL	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - Other FVTPL	285	30	0	0	(12)	0	31	0	0	333	0	0
- Stocks and other variable-income securities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Stocks and other variable-income securities - Other FVTPL	732	66	0	(50)	0	0	24	0	0	772	0	0
- Loans and receivables due from credit institutions - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from credit institutions - Other FVTPL	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from customers - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from customers - Other FVTPL	0	0	0	0	0	0	0	0	0	0	0	0
- Derivatives and other financial assets - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Other assets classified at FVTPL (1)	86	0	0	0	0	0	0	0	(2)	83	0	0
Derivatives used for hedging purposes	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total	1,546	124	6	(52)	(13)	0	55	(180)	17	1,503	0	0
Financial liabilities												
Trading/FVO	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
- Amounts due to credit institutions - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Amounts due to customers - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Debt securities - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Derivatives and other financial liabilities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
Derivatives used for hedging purposes	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total	0	0	0	0	0	0	0	0	0	0	0	0

** Only material transfers are entered, i.e. transfers whose amount is greater than 10% of the amount in the "Total" line for the relevant asset or liability category.*

(1) Recognition of separate assets for employee benefit plans

At 31 December 2024, based on the principal unobservable parameters, the group measured the sensitivity of the fair value of level 3 securities for a scope that mainly included the equity and private equity portfolio.
This sensitivity aims to illustrate the uncertainty inherent in the use of judgment required to estimate the principal unobservable parameters at the measurement date. It does not in any way represent a measurement of market risks for level 3 instruments. The estimate is based on the valuation adjustment policy. For the equity and private equity portfolio, the estimate is based on a +/- 1% shock on the AVA parameters of unlisted securities reviewed annually. At 31 December 2024, this shock would have an impact of +€13M / -€11M on the AVAs of level 3 securities.

Note 27d. Fair value ranking – details of level 3 - insurance activity

	Opening balance	Purchases	Issues	Disposals	Repayments	Transfers	Gains and losses through profit or loss	Gains and losses in equity	Other changes	Closing balance	Transfers L1, L2 => L3	Transfers L3 => L1, L2
Financial assets												
FVOCI	**16**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**16**	**0**	**0**
- Treasury bills and similar securities - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Stocks and other variable-income securities - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Equity investments and other long-term investments - FVOCI	16	0	0	0	0	0	0	0	0	16	0	0
- Shares in associates - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from credit institutions - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
- Loans and receivables due from customers - FVOCI	0	0	0	0	0	0	0	0	0	0	0	0
Trading/FVO/Other	**9,942**	**2,122**	**60**	**(2)**	**(2,045)**	**264**	**(355)**	**(2)**	**0**	**9,987**	**269**	**(5)**
- Treasury bills and similar securities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Treasury bills and similar securities - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Treasury bills and similar securities - Other FVTPL	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Bonds and other fixed-income securities - Other FVTPL	9,458	2,117	0	0	(2,017)	(5)	(302)	0	0	9,251	0	(5)
- Stocks and other variable-income securities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
- Stocks and other variable-income securities - Other FVTPL	485	5	0	(2)	0	0	(53)	0	0	435	0	0
- Loans and receivables due from customers - Fair value option	0	0	61	0	(28)	269	0	(2)	0	300	269	0
- Loans and receivables due from customers - Other FVTPL	0	0	0	0	0	0	0	0	0	0	0	0
- Derivatives and other financial assets - Trading	0	0	0	0	0	0	0	0	0	0	0	0
Derivatives used for hedging purposes	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**9,958**	**2,122**	**61**	**(2)**	**(2,045)**	**264**	**(355)**	**(2)**	**0**	**10,003**	**269**	**(5)**
Financial liabilities												
Trading/FVO	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
- Amounts due to credit institutions - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Amounts due to customers - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Debt securities - Fair value option	0	0	0	0	0	0	0	0	0	0	0	0
- Derivatives and other financial liabilities - Trading	0	0	0	0	0	0	0	0	0	0	0	0
Derivatives used for hedging purposes	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Note 28a. Fair value ranking of financial assets and liabilities recognized at amortized cost - banking activity

12.31.2024

	Market value	Carrying amount	Unrealized capital gains and losses	Level 1	Level 2	Level 3
Assets	**101,939**	**104,371**	**(2,431)**	**1,191**	**14,511**	**86,238**
Financial assets at amortized cost						
Loans and receivables due from credit institutions	14,188	14,201	(13)	0	14,188	0
Loans and receivables due from customers	86,223	90,382	(4,159)	0	0	86,223
Securities	1,529	1,548	(20)	1,191	323	15
Remeasurement adjustement on interest-rate risk hedged portfolios	0	(1,761)	1,761	0	0	0
Liabilities	**120,134**	**120,117**	**17**	**0**	**30,855**	**89,279**
Liabilities to credit institutions	3,417	3,480	(63)	0	3,418	0
Liabilities to customers	89,280	89,241	38	0	0	89,280
Debt securities	25,094	25,943	(850)	0	25,094	0
Subordinated debt	2,344	2,343	1	0	2,344	0
Remeasurement adjustement on interest-rate risk hedged portfolios	0	(890)	890	0	0	0

12.31.2023

	Market value	Carrying amount	Unrealized capital gains and losses	Level 1	Level 2	Level 3
Assets	**95,720**	**98,964**	**(3,244)**	**225**	**14,418**	**81,078**
Financial assets at amortized cost						
Loans and receivables due from credit institutions	14,002	14,031	(29)	0	14,002	0
Loans and receivables due from customers	81,054	86,909	(5,855)	0	0	81,054
Securities	665	671	(6)	225	416	24
Remeasurement adjustement on interest-rate risk hedged portfolios	0	(2,647)	2,647	0	0	0
Liabilities	**115,360**	**115,354**	**5**	**0**	**30,293**	**85,067**
Liabilities to credit institutions	4,737	4,829	(91)	0	4,737	0
Liabilities to customers	85,067	85,081	(14)	0	0	85,067
Debt securities	23,332	24,443	(1,111)	0	23,332	0
Subordinated debt	2,223	2,272	(48)	0	2,223	0
Remeasurement adjustement on interest-rate risk hedged portfolios	0	(1,269)	1,269	0	0	0

For financial instruments that are not measured at fair value in the balance sheet, fair value calculations are provided for information purposes and should be interpreted as estimates only.

Indeed, in most cases, the values communicated may not be the actual amounts. The fair values were calculated only to provide information in the notes to the financial statements. These values are not indicators used for the purposes of managing the activities of the bank, whose business model is mainly a contractual cash flow model.

Note 28b. Fair value ranking of financial assets and liabilities recognized at amortized cost - insurance activity

12.31.2024

	Market value	Carrying amount	Unrealized capital gains and losses	Level 1	Level 2	Level 3
Assets	**2,671**	**2,754**	**(83)**	**2,476**	**185**	**10**
Financial assets at amortized cost						
Loans and receivables	100	100	0	-	90	10
Securities	2,571	2,654	(83)	2,476	95	-
Liabilities	**829**	**829**	**-**	**-**	**829**	**0**
Liabilities to credit institutions	829	829	-	-	829	0
Debt securities	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-

12.31.2023

	Market value	Carrying amount	Unrealized capital gains and losses	Level 1	Level 2	Level 3
Assets	**2,616**	**2,735**	**(120)**	**2,447**	**155**	**14**
Financial assets at amortized cost						
Loans and receivables	92	93	(1)	-	79	14
Securities	2,523	2,642	(119)	2,447	76	-
Liabilities	**1,919**	**1,919**	**-**	**-**	**1,919**	**-**
Liabilities to credit institutions	1,919	1,919	-	-	1,919	-
Debt securities	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-

NOTES TO THE INCOME STATEMENT (in million of euros)

Note 29. Interest and similar income/expense

	12.31.2024		12.31.2023	
	Income	Expense	Income	Expense
Credit institutions and central banks	826	(181)	970	(349)
Customers	2,343	(2,053)	1,914	(1,623)
- of which leasing	148	(24)	116	(18)
- of which rental debts		(2)	0	(2)
Securities at amortized cost	16	0	4	0
Financial assets at fair value through profit or loss	26	(81)	19	(3)
Derivatives used for hedging purposes	1,578	(1,337)	1,381	(1,205)
Financial assets at fair value through equity	240	0	138	0
Debt securities	0	(752)	0	(578)
TOTAL	**5,030**	**(4,403)**	**4,425**	**(3,757)**

Note 30. Fee and commission income/expense

	12.31.2024		12.31.2023	
	Income	Expense	Income	Expense
Credit institutions	2	(4)	4	(6)
Customers	285	(2)	197	0
Derivatives	1	0	1	(1)
Foreign exchange	11	0	11	0
Financing and guarantee commitments	2	0	3	(1)
Securities and services	608	(221)	581	(199)
TOTAL	**909**	**(228)**	**796**	**(207)**

Note 31. Net gain (loss) on financial instruments at fair value through profit or loss

	12.31.2024	12.31.2023
Instruments held for trading	73	230
Fair value option instruments	(52)	(170)
Change in fair value attributable to credit risk presented in net income for the liabilities	0	0
Other instruments at fair value through profit or loss	82	57
Including UCI	25	10
Hedging ineffectiveness	(2)	(3)
cash flow hedges	0	0
fair value hedges	(2)	(3)
. change in fair value of hedged items	(296)	(669)
. change in fair value of hedges	295	666
Foreign exchange gains (losses)	0	(1)
TOTAL OF CHANGES IN FAIR VALUE	**101**	**113**

Note 32. Net gain (loss) on financial instruments at fair value through equity

12.31.2024

	Dividends	Realized gains/losses	Total
Treasury bills, notes and government bonds		0	0
Bonds and other fixed-income securities		5	5
Loans - Credit institutions			
Customer loans			
Stocks and other variable-income securities	0		0
Equity securities held for long-term investment	7		7
TOTAL	**7**	**5**	**12**

12.31.2023

	Dividends	Realized gains/losses	Total
Treasury bills, notes and government bonds		(3)	(3)
Bonds and other fixed-income securities		3	3
Loans - Credit institutions			
Customer loans			
Stocks and other variable-income securities	7		7
Equity securities held for long-term investment	11		11
TOTAL	**19**	**0**	**19**

Note 33. Net gain (loss) on financial instruments at amortized cost

Financial assets	Profit or loss recognized on the derecognition of assets as at December 31, 2024	Profit or loss recognized on the derecognition of assets as at December 31, 2023
Treasury bills, notes and government bonds	0	0
Bonds and other fixed-income securities	0	0
Loans - Credit institutions	0	0
Customer loans	0	0
Financial liabilities		
Liabilities to credit institutions	0	0
Liabilities to customers	0	0
Debt securities	0	0
Subordinated debt	0	0
TOTAL	**0**	**0**

Note 34. Net income from insurance activities

	12.31.2024	12.31.2023
Income from insurance contracts issued	1,180	1,140
Expenses related to insurance contracts issued	(715)	(764)
Income and expenses related to reinsurance contracts held	(47)	47
Profit or loss on insurance and reinsurance activities	**419**	**424**
Net income from financial investments related to insurance activities	1,614	2,995
of which, cost of risk for financial investments related to insurance activities	1	0
Financial income or financial expense on insurance contracts issued	(1,539)	(2,917)
Financial income or financial expense on reinsurance contracts held	3	1
Net financial income from insurance and reinsurance activities	**78**	**79**
TOTAL	**497**	**503**

Note 34a. Net income from insurance and reinsurance activities

	12.31.2024	12.31.2023
Income from insurance contracts not measured using the general model	**678**	**674**
- Contractual service margin	365	377
- Change in adjustment for non-financial risk	52	48
- Recovery of cash flows related to acquisition costs	38	24
- Claims expenses and other related expenses expected	224	225
Revenue from insurance contracts measured using the simplified method	**502**	**466**
Expenses related to insurance contracts	**(715)**	**(764)**
Profit or loss on insurance activities	**465**	**377**
Profit or loss on reinsurance activities	(47)	47
TOTAL profit or loss on insurance and reinsurance activities	**419**	**424**

Note 34b. Net financial income from insurance and reinsurance activities (including return on investisments)

	12.31.2024	12.31.2023
Net income from financial investments related to insurance activities	**1,614**	**2,995**
Change in the fair value of the underlying items of contracts with direct participation	(1,532)	(2,915)
Impact of the risk mitigation option	0	0
Impact of accretion	(7)	(2)
Impact of interest rates and other financial assumptions	0	0
Impact of exchange rates	0	0
Net financial expenses on insurance contracts	**(1,539)**	**(2,917)**
Net financial income from reinsurance contracts	**3**	**1**
TOTAL net financial income from insurance and reinsurance activities	**78**	**79**

Note 34c. Net income from financial investments related to insurance activities

	12.31.2024	12.31.2023
Interest and similar income/expense	1,098	1,023
Commission	6	(6)
Net gains on financial instruments at fair value through profit or loss	502	2,039
Net gain (loss) on financial assets at fair value through equity	3	3
Net income on investment property	0	0
Net gain on investment property	4	(64)
Cost of risk for insurance financial investments	1	0
TOTAL	**1,614**	**2,995**

Net gain (loss) on financial instruments at fair value through profit or loss

	12.31.2024	12.31.2023
Trading instruments	(20)	(36)
Fair value option instruments	39	710
Other instruments at fair value through profit or loss	485	1,365
of which UCIs	912	1,032
Foreign exchange gains (losses)	(1)	0
Total changes in fair value	**502**	**2,039**

Note 34d. Insurance activity - Information regarding changes in outstanding loans subject to provisions for expected losses for credit risk, changes in provisions for expected losses for credit risk and gross carrying amount of loans and receivables due from customers by credit risk category

	12.31.2023	Acquisition /production	Sale /repayment	Transfers between buckets	Other	12.31.2024
Financial assets at amortized cost - Loans and receivables	**93**	**44**	**(37)**	**0**	**0**	**100**
- 12-month expected losses	93	44	(37)	0	0	100
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
Financial assets at amortized costs - Securities	**2,646**	**207**	**(196)**	**0**	**0**	**2,656**
- 12-month expected losses	2,631	207	(196)	10	0	2,651
- Lifetime expected losses - non-impaired assets	15	0	0	(10)	0	5
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
Financial assets at amortized cost - Fixed-income securities	**0**	**0**	**0**	**0**	**0**	**0**
- 12-month expected losses	0	0	0	0	0	0
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
Financial assets at FVOCI - Loans	**0**	**0**	**0**	**0**	**0**	**0**
- 12-month expected losses	0	0	0	0	0	0
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
Total	**2,739**	**251**	**(233)**	**0**	**0**	**2,757**

The associated impairment amount was €2m at 31 December 2024.
The gross value of customer loans at amortised cost is €100 million; it is fully allocated to bucket 1 and has a probability of default of less than 0.1.

Note 35. Income/expense from other activities

	12.31.2024		12.31.2023	
	Income	Expense	Income	Expense
Investment property	4	(7)	0	(7)
Other income and expense	333	(80)	332	(78)
TOTAL	338	(87)	332	(84)

Note 36. Gains (losses) on disposal - dilution in investments in associates

	12.31.2024	12.31.2023
Gains or losses on disposal/dilution on joint ventures	0	0
Gains or losses on disposal/dilution on associates	15	0
TOTAL	15	0

Note 37. General operating expense

	12.31.2024	12.31.2023
Personnel expenses	(1,016)	(984)
Other expense	(665)	(698)
General operating expenses attributable to the fulfilment of insurance contracts (1)	265	270
TOTAL	(1,416)	(1,412)

(1) General operating expenses related to insurance contracts are recognised during the period as expenses related to insurance contracts issued, with the exception of acquisition costs, which are deferred in the balance sheet to be recognised in profit or loss in subsequent periods.

Note 37a. Personnel expenses

	12.31.2024	12.31.2023
Salaries and wages	(571)	(542)
Payroll taxes	(261)	(251)
Mandatory and optional employee profit-sharing	(49)	(60)
Taxes, levies and similar payments on compensation	(74)	(73)
Other	0	0
Personnel expenses related to insurance activity	(62)	(58)
TOTAL	(1,016)	(984)

Note 37b. Average number of employees

	12.31.2024	12.31.2023
Employees	4,377	4,434
Management and supervisors	6,841	6,561
TOTAL	11,218	10,995

Note 37c. Post-employment benefits

Defined contribution plans are those for which the group's commitment is limited to the payment of a contribution but do not include any commitment by the group with respect to the level of benefits provided.
The main defined contribution post-employment benefit plans include mandatory social security and the Agirc and Arrco retirement plans, as well as the supplementary retirement savings plan established by some entities for which they only have an obligation to contribute.
In 2024, expenses related to these plans totaled €110 million compared with €104 million in 2023.

Defined benefit plans and other long-term benefits

These defined benefit plans expose the group to certain risks such as interest rate risk and market risk.

These benefits are based on the final salary for end-of-service awards for the retirement benefits and on average wage of the last 10 years for the supplementary plan. When the annuity for the additional voluntary pension contribution is liquidated, the risk is transferred to Suravenir in the form of an insurance contract.

Change in actuarial liability

	Post-employment benefits		Other long-term benefits (1)	TOTAL 12.31.2024	TOTAL 12.31.2023
	Supplementary plan	Retirement benefits			
Gross actuarial liability at the beginning of the period	48	25	153	226	215
Cost of services rendered during the period	2	4	3	9	10
Net interest	1	1	5	7	8
Modification/reduction/liquidation of the plan				-	(1)
Impact of pension reform	-	-		-	
Acquisition, disposal (change in consolidated scope)		-		-	-
Benefits paid	(7)	(4)	(5)	(16)	(13)
Actuarial gains/losses	1	(1)	6	6	8
of which actuarial gains/losses due to changes in demographic assumptions	0	0	(1)	(1)	0
of which gains/losses related to changes in financial assumptions	(1)	0	(3)	(4)	1
Gross actuarial liability at the end of the period	45	25	161	232	226

(1) Other long-term benefits relate to long-service awards and time savings accounts.

Expense recognized on the income statement

	Post-employment benefits		Other long-term benefits	TOTAL 12.31.2024	TOTAL 12.31.2023
	Supplementary plan	Retirement benefits			
Cost of services rendered during the period	(2)	(4)	(3)	(9)	(9)
Net interest	1	1	(4)	(2)	(2)
Impact of any reduction or liquidation of the plan	0	0		0	
Impact of pension reform	-	-		-	1
Actuarial gains/losses			(6)	(6)	(11)
of which actuarial gains/losses due to changes in demographic assumptions recognized on the income statement			1	1	0
of which gains/losses due to changes in financial assumptions recognized on the income statement			3	3	(3)
of which actuarial gains/losses due to differences between estimates and actual experiences			(10)	(10)	(8)
Expense recognized on the income statement	0	(4)	(13)	(17)	(21)

Change in fair value of plan assets and reimbursement rights

	Post-employment benefits		Other long-term benefits	TOTAL 12.31.2024	TOTAL 12.31.2023
	Supplementary plan	Retirement benefits			
Fair value of assets at the beginning of the period	92	54	23	169	175
Net interest	3	2	1	5	6
Employer contributions		-		-	
Acquisition, disposal (change in consolidated scope)		-		-	0
Benefits paid	(7)	(3)	-	(10)	(9)
Actuarial gains/losses	1	(1)	0	0	(4)
of which actuarial gains/losses due to changes in demographic assumptions	-	0	0	-	
of which actuarial gains/losses on plan assets due to changes in financial assumptions	1	(1)	0	-	(4)
of which actuarial gains/losses due to differences between estimates and actual experiences			0	0	
Fair value of assets at the end of the period	88	52	24	164	169

Net position

	Supplementary plan	Retirement benefits	Other long-term benefits	TOTAL 12.31.2024	TOTAL 12.31.2023
Actuarial liability at the end of the period	46	26	161	232	226
Fair value of assets/reimbursement rights	(88)	(52)	(24)	(164)	(169)
NET POSITION	(43)	(26)	137	68	57

Items recognized immediately in comprehensive income

	12.31.2024	TOTAL 12.31.2023
Actuarial differences generated on post-employment benefit plans	0	(1)
Adjustments to the asset ceiling		
Total items recognized immediately during the year	**0**	**(1)**
Aggregate actuarial differences at the end of the year	**(137)**	**(137)**

Information regarding plan assets

The amounts included in the fair value of the plan assets concerning the financial instruments issued by the group and the properties occupied by the group are not material.

Plan assets are held by Suravenir and by a non-group insurance company for the portion relating to the supplementary plan.

At December 31, 2024, the weighted average term of defined benefit obligations was 7.4 years (7.4 years as well in 2023).

Composition of hedging assets

12.31.2024

Fair value of plan assets	Debt securities	Equity instruments	Real property	Other
Assets listed on an active market	102	4	0	0
Assets not listed on an active market	12	6	16	0
Total	**114**	**10**	**16**	**0**

12.31.2023

Fair value of plan assets	Debt securities	Equity instruments	Real property	Other
Assets listed on an active market	106	4	0	0
Assets not listed on an active market	13	6	17	0
Total	**119**	**10**	**17**	**0**

Sensitivity of obligations to changes in the main actuarial assumptions

12.31.2024

(As a % of the item measured)	Supplementary plan	Retirement benefits	Length-of-service awards	Time savings account
+0.5% change in discount rate				
Impact on present value of obligations as of December 31	(4%)	(3%)	(4%)	(4%)
+0.5% change in net salary				
Impact on present value of obligations as of December 31	1%	3%	5%	4%

The sensitivities shown are weighted averages of observed changes relative to the present value of the obligations.

Note 37d. Share-based payments

IFRS 2 “Share-based Payment” requires the measurement of share-based payment transactions in the company's income statement and balance sheet.

This standard applies to transactions with employees and more specifically to:

- Equity-settled share-based payment transactions;
- Cash-settled share-based payment transactions.

For equity-settled transactions, an expense is charged against equity. This expense is spread over the vesting period.

For the cash-settled transactions, the fair value of the liability, measured initially on the grant date, must be re-measured on each closing date until the settlement date of the liability. Fair value changes are recognized as expenses or income on the income statement until the liability is settled.

Note 37e. Other operating expenses

	12.31.2024	12.31.2023
Taxes other than on income	(42)	(74)
Rentals	(97)	(87)
- short term rentals of assets or low / substantial values	(94)	(84)
- other rentals	(3)	(3)
External services	(480)	(491)
Other miscellaneous expenses	0	0
Operating expenses related to insurance activity	(46)	(45)
TOTAL	**(665)**	**(698)**

	12.31.2024			12.31.2023		
	PWC	Deloitte	Total	Mazars	Deloitte	Total
Auditing, certification, examination of individual and consolidated accounts	2	2	3	2	2	4
Crédit Mutuel Arkéa	1	1	1	1	1	1
Consolidated subsidiaries	1	1	2	1	2	3
Services other than account certification	1	1	1	0	0	1
Crédit Mutuel Arkéa	0	0	1	0	0	0
Consolidated subsidiaries	0	0	1	0	0	0
TOTAL	2	2	5	2	3	5

The total amount of audit fees paid to the Statutory Auditors not belonging to the network of one of those certifying the Crédit Mutuel Arkéa's consolidated and individual financial statements, mentioned in the table above, amounted to €1 million in respect of 2024 (versus €1 million as well in 2023).

Note 38. Depreciation, amortization and impairment of property, plant and equipment and intangible assets

	12.31.2024	12.31.2023
Amortization	**(120)**	**(163)**
Property, plant and equipment	(51)	(56)
- of which rights of use - Property	(18)	(15)
Intangible assets	(69)	(107)
Impairment	**1**	**3**
Property, plant and equipment	1	0
- of which rights of use - Property	1	0
Intangible assets	1	3
Other expenses related to insurance activity	**(2)**	**(3)**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets attributable to insurance contracts	**35**	**37**
TOTAL	**(85)**	**(125)**

Note 39. Cost of risk

Note 39a. Cost of risk - banking activity

	Allocations	Write-backs	Irrecoverable debts		Collection of receivables written off	12.31.2024
			Provisioned bad debt	Unprovisioned bad debt		
12-month expected losses	(98)	126				28
- Loans and receivables due from credit institutions	(1)	4				3
- Loans and receivables due from customers	(82)	102				19
- of which finance leases	(3)	2				(1)
- Financial assets at amortized cost - Fixed income securities	0	2				1
- Financial assets at FVOCI - Fixed income securities	(3)	4				1
- Financial assets at FVOCI - Loans	0	0				0
- Off-balance sheet	(11)	15				3
- Other assets	0	0				0
Lifetime expected loss	(195)	163				(32)
- Loans and receivables due from credit institutions	0	0				0
- Loans and receivables due from customers	(190)	158				(32)
- of which finance leases	(2)	2				0
- Financial assets at amortized cost - Fixed income securities	0	0				0
- Financial assets at FVOCI - Fixed income securities	0	0				0
- Financial assets at FVOCI - Loans	0	0				0
- Off-balance sheet	(5)	6				0
- Other assets	0	0				0
Impaired assets	(304)	182	(47)	(16)	9	(177)
- Loans and receivables due from credit institutions	0	0	0	0	0	0
- Loans and receivables due from customers	(290)	175	(47)	(16)	9	(169)
- of which finance leases	(26)	16	(3)	0	0	(13)
- Financial assets at amortized cost - Fixed income securities	(1)	0	0	0	0	(1)
- Financial assets at FVOCI - Fixed income securities	0	0	0	0	0	0
- Financial assets at FVOCI - Loans	0	0	0	0	0	0
- Off-balance sheet	(12)	4	0	0	0	(7)
- Other assets	(1)	3	0	0	0	1
Total	(597)	471	(47)	(16)	9	(180)

	Allocations	Write-backs	Irrecoverable debts		Collection of receivables written off	12.31.2023
			Provisioned bad debt	Unprovisioned bad debt		
12-month expected losses	(105)	135				30
- Loans and receivables due from credit institutions	(3)	1				(2)
- Loans and receivables due from customers	(82)	116				34
- of which finance leases	(2)	4				2
- Financial assets at amortized cost - Fixed income securities	(1)	0				(1)
- Financial assets at FVOCI - Fixed income securities	(4)	2				(2)
- Financial assets at FVOCI - Loans	0	0				0
- Off-balance sheet	(14)	16				2
- Other assets	0	0				0
Lifetime expected loss	(203)	189				(15)
- Loans and receivables due from credit institutions	0	0				0
- Loans and receivables due from customers	(197)	183				(13)
- of which finance leases	(9)	4				(4)
- Financial assets at amortized cost - Fixed income securities	0	0				0
- Financial assets at FVOCI - Fixed income securities	0	0				0
- Financial assets at FVOCI - Loans	0	0				0
- Off-balance sheet	(7)	5				(1)
- Other assets	0	0				0
Impaired assets	(239)	226	(89)	(45)	36	(110)
- Loans and receivables due from credit institutions	0	0	0	0	0	0
- Loans and receivables due from customers	(232)	219	(89)	(45)	36	(111)
- of which finance leases	(16)	14	(3)	0	0	(4)
- Financial assets at amortized cost - Fixed income securities	0	0	0	0	0	0
- Financial assets at FVOCI - Fixed income securities	0	0	0	0	0	0
- Financial assets at FVOCI - Loans	0	0	0	0	0	0
- Off-balance sheet	(3)	5	0	0	0	2
- Other assets	(4)	3	0	0	0	(1)
Total	(547)	551	(89)	(45)	36	(94)

Note 39b. Banking activities - Information regarding changes in outstanding loans subject to provisions for expected losses for credit risk

	12.31.2023	Acquisition /production	Sale/repayment	Transfers between buckets	Other	12.31.2024
Financial assets at amortized costs - loans and receivables due from credit institutions	**14,039**	**4,172**	**(4,005)**	**0**	**0**	**14,207**
- 12-month expected losses	14,039	4,172	(4,005)	0	0	14,207
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
Financial assets at amortized costs - loans and receivables due from customers	**88,077**	**17,893**	**(14,281)**	**0**	**0**	**91,690**
- 12-month expected losses	79,551	16,855	(12,365)	(2,490)	0	81,552
- Lifetime expected losses - non-impaired assets	6,953	849	(1,596)	2,074	0	8,281
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	1,396	126	(298)	416	0	1,640
Lifetime expected losses - assets impaired as from acquisition/creation	177	62	(22)	0	0	217
Financial assets at amortized cost - Securities	**673**	**979**	**(102)**	**0**	**0**	**1,550**
- 12-month expected losses	673	978	(102)	0	0	1,549
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	1	0	0	0	1
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
- Financial assets at FVOCI - Fixed income securities	**8,319**	**6,002**	**(3,146)**	**0**	**0**	**11,175**
- 12-month expected losses	8,305	6,002	(3,132)	0	0	11,175
- Lifetime expected losses - non-impaired assets	14	0	(14)	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
- Financial assets at FVOCI - Loans	**0**	**0**	**0**	**0**	**0**	**0**
- 12-month expected losses	0	0	0	0	0	0
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0
Total	**111,109**	**29,046**	**(21,534)**	**0**	**0**	**118,621**

Note 39c. Banking activities - Information regarding changes in provisions for expected losses for credit risk

	12.31.2023	Allocations	Reversals	Transfers	Change of method	Other	12.31.2024
Financial assets at amortized costs - loans and receivables due from credit institutions	**(9)**	**(1)**	**4**	**0**	**0**	**0**	**(5)**
- 12-month expected losses	(9)	(1)	4	0	0	0	(5)
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0	0
Financial assets at amortized costs - loans and receivables due from customers	**(1,168)**	**(600)**	**461**	**0**	**0**	**0**	**(1,308)**
- 12-month expected losses	(191)	(99)	128	(9)	0	0	(172)
- Lifetime expected losses - non-impaired assets	(272)	(181)	126	22	0	0	(304)
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	(636)	(294)	200	(13)	0	0	(744)
Lifetime expected losses - assets impaired as from acquisition/creation	(69)	(26)	7	0	0	0	(88)
Financial assets at amortized cost - Securities	**(2)**	**(1)**	**2**	**0**	**0**	**0**	**(2)**
- 12-month expected losses	(2)	0	2	0	0	0	(1)
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	(1)	0	0	0	0	(1)
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0	0
- Financial assets at FVOCI - Fixed income securities	**(6)**	**(3)**	**4**	**0**	**0**	**0**	**(4)**
- 12-month expected losses	(6)	(3)	4	0	0	0	(4)
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0	0
- Financial assets at FVOCI - Loans	**0**	**0**	**0**	**0**	**0**	**0**	**0**
- 12-month expected losses	0	0	0	0	0	0	0
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0	0
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	0	0	0	0	0	0	0
Lifetime expected losses - assets impaired as from acquisition/creation	0	0	0	0	0	0	0
Commitments given	**(40)**	**(29)**	**24**	**0**	**0**	**0**	**(44)**
- 12-month expected losses	(19)	(11)	15	0	0	0	(16)
- Lifetime expected losses - non-impaired assets	(8)	(5)	6	0	0	0	(7)
- Lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	(13)	(12)	4	0	0	0	(21)
Other assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**
- 12-month expected losses	0	0	0	0	0	0	0
- Lifetime expected losses - non-impaired assets	0	0	0	0	0	0	0
Lifetime expected losses for impaired assets (whether impaired or not at acquisition/creation)	0	0	0	0	0	0	0
Total	**(1,225)**	**(634)**	**495**	**0**	**0**	**0**	**(1,363)**

Note 39d. Banking activities - gross carrying amount of loans and receivables due from customers by credit risk category

At 12.31.2024

Risk categories: PD at 1 year	Subject to 12-month expected losses	Subject to lifetime expected losses	Subject to lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	Subject to expected losses for assets impaired at the closing date and when acquired/created
< 0,1	30,874	6	0	0
[0,1;0,25]	16,752	5	0	0
[0,26;0,99]	14,853	2,638	0	0
[1;2,99]	8,930	1,762	0	0
[3;9,99]	9,823	2,564	0	0
>=10	320	1,306	1,640	217
Total	**81,552**	**8,281**	**1,640**	**217**

At 12.31.2023

Risk categories: PD at 1 year	Subject to 12-month expected losses	Subject to lifetime expected losses	Subject to lifetime expected losses for assets impaired at the closing date but not impaired when acquired/created	Subject to expected losses for assets impaired at the closing date and when acquired/created
< 0,1	24,725	5	0	0
[0,1;0,25]	21,905	4	0	0
[0,26;0,99]	14,407	2,303	0	0
[1;2,99]	8,925	1,277	0	0
[3;9,99]	9,291	2,145	0	0
>=10	299	1,221	1,396	177
Total	**79,551**	**6,953**	**1,396**	**177**

Note 39e. Banking activities - Breakdown of gross receivables and impairments by counterparty sector

				12.31.2024				12.31.2023
Outstanding amounts subject to	**B1**	**B2**	**B3**	**TOTAL**	**B1**	**B2**	**B3**	**TOTAL**
Central banks	167	-	-	167	92	-	-	92
General governments	14,785	48	-	14,833	12,024	15	-	12,038
Credit institutions	21,136	-	-	21,136	19,648	-	-	19,648
Other financial corporations	2,350	218	23	2,591	1,657	121	13	1,791
Non-financial corporations	24,546	3,805	1,138	29,489	24,868	2,935	944	28,748
of which: Small and Medium-sized Enterprises	*10,479*	*2,079*	*700*	*13,258*	*10,516*	*1,631*	*599*	*12,747*
Households	45,498	4,209	698	50,404	44,279	3,897	615	48,791
TOTAL	**108,482**	**8,281**	**1,858**	**118,621**	**102,569**	**6,967**	**1,572**	**111,109**

				12.31.2024				12.31.2023
Provisions	**B1**	**B2**	**B3**	**TOTAL**	**B1**	**B2**	**B3**	**TOTAL**
Central banks	-	-	-	0	-	-	-	0
General governments	(7)	(2)	-	(9)	(10)	(1)	-	(11)
Credit institutions	(6)	-	-	(6)	(11)	-	-	(11)
Other financial corporations	(9)	(16)	(10)	(36)	(10)	(12)	(6)	(28)
Non-financial corporations	(111)	(189)	(550)	(850)	(112)	(155)	(444)	(711)
of which: Small and Medium-sized Enterprises	*(51)*	*(102)*	*(369)*	*(522)*	*(49)*	*(80)*	*(330)*	*(460)*
Households	(48)	(97)	(272)	(417)	(65)	(104)	(255)	(424)
TOTAL	**(183)**	**(304)**	**(833)**	**(1,319)**	**(208)**	**(272)**	**(705)**	**(1,185)**

Note 40. Gains (losses) on other assets

	12.31.2024	12.31.2023
Property, plant and equipment and intangible assets	**0**	**0**
Capital losses on disposals	(2)	(1)
Capital gains on disposals	2	2
Expenses related to business combinations	**(1)**	**0**
More or less transfer values on consolidated securities	**0**	**30**
TOTAL	**(1)**	**30**

Note 41. Income tax

	12.31.2024	12.31.2023
BREAKDOWN OF TAX EXPENSE		
Current tax expense	(38)	(68)
Net deferred tax expense or revenue	(63)	(56)
NET INCOME TAX EXPENSE	**(100)**	**(124)**
Income before taxes, badwill and income contribution from associates	501	538
EFFECTIVE TAX RATE	**20.04%**	**22.98%**

ANALYSIS OF EFFECTIVE TAX RATE	12.31.2024	12.31.2023
Statutory tax rate	**25.83%**	**25.83%**
Permanent differences	(1.07%)	(0.33%)
Income taxed at a reduced rate or exempt	(1.35%)	(2.34%)
Impact of fiscal losses	(1.55%)	(0.06%)
Tax credits	(0.80%)	(0.16%)
Special	0.07%	0.40%
Other	(1.11%)	(0.36%)
EFFECTIVE TAX RATE	**20.04%**	**22.98%**

Taxes must be measured based on the rates in effect at the closing date.

In case of a change in rates, deferred taxes must be adjusted, based on the symmetry principle, through profit or loss, unless they relate to items recognized outside profit or loss (other comprehensive income (OCI) or directly in equity).

IN EQUITY (in million of euros)

Note 42a. Information on the recycling to profit or loss of gains or losses recognized directly in equity

	Changes in 2024	Changes in 2023
Revaluation of debt instruments at fair value through equity	(59)	3
- Reclassification to profit or loss	(2)	14
- Other changes	(57)	(11)
Revaluation of hedging derivatives	-	-
- Reclassification to profit or loss	-	-
- Other changes	-	-
Remeasurement of financial assets at fair value through recyclable equity of the insurance business	-	
Remeasurement of insurance and reinsurance contracts in recyclable equity	4	38
Share of recyclable gains and losses of equity-accounted entities recognized directly in equity	(5)	(1)
Items to be recycled to profit or loss	**(60)**	**39**
Actuarial gains and losses on defined benefit plans	-	(1)
Revaluation of credit risk specific to financial liabilities recognized at fair value through profit or loss by option	(3)	(11)
Revaluation of equity instruments at fair value through equity	(180)	(72)
Revaluation of equity instruments at fair value through equity from insurance activity	(1)	(12)
Remeasurement of insurance contracts using the VFA - non-recyclable	-	
Share of recyclable gains and losses of equity-accounted entities recognized directly in equity	-	0
Items not to be recycled to profit or loss	**(184)**	**(96)**
TOTAL	**(244)**	**(57)**

Note 42b. Tax on each component of gains or losses recognized directly in equity

	12.31.2024			12.31.2023		
	Gross	Tax	Net	Gross	Tax	Net
Revaluation of recyclable debt instruments at fair value through equity	(79)	20	(59)	4	(1)	3
Revaluation of hedging derivatives	-	-	-	-	-	-
Remeasurement of financial assets at fair value through recyclable equity of the insurance business	-	-	-	-	-	-
Remeasurement of insurance and reinsurance contracts in recyclable equity	5	(1)	4	51	(13)	38
Share of recyclable gains and losses of equity-accounted entities recognized directly in equity	(7)	2	(5)	(2)	0	(1)
Items to be recycled to profit or loss	**(81)**	**21**	**(60)**	**53**	**(14)**	**39**
Actuarial gains and losses on defined benefit plans	-	-	-	(1)	-	(1)
Revaluation of credit risk specific to financial liabilities recognized at fair value through profit or loss by option	(5)	1	(3)	(15)	4	(11)
Revaluation of equity instruments at fair value through equity	(187)	7	(180)	(80)	8	(72)
Revaluation of equity instruments at fair value through equity from insurance activity	(1)	0	(1)	(14)	2	(12)
Remeasurement of insurance contracts using the VFA - non-recyclable	-	-	-	-	-	-
Share of recyclable gains and losses of equity-accounted entities recognized directly in equity	-	-	-	-	-	-
Items not to be recycled to profit or loss	**(193)**	**8**	**(184)**	**(110)**	**13**	**(96)**
Total changes in gains and losses recognized directly in equity	**(274)**	**29**	**(244)**	**(57)**	**0**	**(57)**

OTHER NOTES (in million of euros)

Note 43a. Commitments given and received - banking activity

	12.31.2024	12.31.2023
Commitments given	**16,693**	**16,441**
Financing commitments	**11,653**	**11,296**
to credit and similar institutions	1	25
to customers	11,652	11,271
Guarantee commitments	**4,824**	**4,917**
to credit and similar institutions	25	7
to customers	4,799	4,910
Securities commitments	**216**	**229**
repurchase agreements	0	0
other commitments given	216	229
Commitments received	**66,164**	**65,450**
Financing commitments	**12,823**	**12,985**
from credit and similar institutions	12,811	12,796
from customers	11	189
Guarantee commitments	**52,734**	**51,863**
from credit and similar institutions	260	270
from customers	52,473	51,593
Securities commitments	**608**	**603**
Reverse repurchase agreements	0	0
Other commitments received	608	603

Financing commitments given include the €23 million cash advance made to Caisse de Refinancement de l'Habitat at 31 December 2023 to fund it. This was no longer the case at 31 December 2024.

	12.31.2024	12.31.2023
Receivables pledged as collateral	**15,015**	**15,638**
Banque de France	13,606	13,953
European Investment Bank	365	464
Caisse de Refinancement de l'Habitat	547	663
Caisse des Dépôts et Consignations	495	557
Other	1	1
Loaned securities	**0**	**0**
Deposits on market transactions	**796**	**811**
Securities sold under repurchase agreements	**2,011**	**4,365**

For its refinancing activity, the group entered into repurchase agreements of debt and/or equity securities. This results in the transfer of ownership of securities which the recipient may in turn lend. The coupons or dividends benefit the borrower. These transactions are subject to margin calls.

Note 43b. Commitments given and received - insurance activity

	12.31.2024	12.31.2023
Commitments given	**-**	**-**
Commitments received	**993**	**1,110**

Note 44. Segment information

	Banking		Insurance and asset management		Group	
	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Net banking income	**1,616**	**1,606**	**552**	**533**	**2,168**	**2,140**
Gains (losses) on disposal - dilution	15	0	-	-	15	0
Net banking income including gains (losses) on disposal - dilution	**1,631**	**1,607**	**552**	**533**	**2,183**	**2,140**
General operating expenses and depreciation and amortization	(1,370)	(1,399)	(131)	(139)	(1,501)	(1,537)
Gross operating income	**261**	**208**	**421**	**395**	**682**	**602**
Cost of risk	(181)	(96)	1	1	(180)	(94)
Operating income	**80**	**112**	**422**	**396**	**502**	**508**
Share of income of companies carried under equity method	6	5	4	10	10	15
Other	(10)	19	(2)	0	(12)	19
Recurring income before tax	**76**	**136**	**424**	**406**	**500**	**542**
Income tax	0	(34)	(100)	(89)	(100)	(124)
Net income	**76**	**102**	**324**	**317**	**400**	**419**
O/w non-controlling interests	-	0	4	2	4	2
Net income, group share	**76**	**102**	**319**	**315**	**395**	**417**

	12.31.2024	12.31.2023	12.31.2024	12.31.2023	12.31.2024	12.31.2023
Segment Assets and Liabilities	**131,708**	**127,833**	**66,721**	**63,792**	**198,429**	**191,625**

Segment reporting is based on two business lines:

- Retail banking includes primarily the branch networks of Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest, the subsidiaries that finance businesses and the real estate division of the group,
- The other business line comprises subsidiaries specialized in asset management and insurance.

Segment reporting by geographic region is not relevant for the group as nearly all of its business is carried out in France.

Note 45. Information on related parties

Crédit Mutuel Arkéa group related parties include the consolidated companies and associates. Transactions between the group and related parties are conducted on arm's length terms at the time the transactions are completed.

The list of companies consolidated by Crédit Mutuel Arkéa group is presented in note 47. Intercompany transactions and outstanding balances between fully consolidated companies are completely eliminated during the consolidation process. As a result, only the portion of the data that is not eliminated in the consolidation process and that relates to reciprocal transactions is presented in the following table, provided such data involve companies over which the group exercises a significant influence (associates).

	12.31.2024	12.31.2023
	Companies under the equity method (1)	Companies under the equity method (1)
Assets		
Loans and receivables - credit institutions, at amortized cost	1,496	1,486
Loans and receivables - customers, at amortized cost	0	0
Assets at fair value through profit or loss	0	0
Financial assets at fair value through equity	0	0
Securities at amortized cost	0	1
Derivatives used for hedging purposes	0	0
Other assets	0	0
Liabilities		
Liabilities to credit institutions	0	0
Derivatives used for hedging purposes	0	0
Liabilities at fair value through profit or loss	0	0
Liabilities to customers	0	0
Debt securities	0	0
Subordinated debt	0	0
Other liabilities	0	1

(1) Mainly CCCM

	12.31.2024	12.31.2023
	Companies under the equity method (1)	Companies under the equity method (1)
Interest and similar income	29	25
Interest and similar expense	0	0
Fee and commission income	0	0
Fee and commission expense	(1)	(1)
Net gain (loss) on financial instruments at fair value through profit or loss	0	0
Net gain (loss) on financial instruments at fair value through equity	4	3
Net gain (loss) on available-for-sale financial instruments	0	0
Net gain (loss) on derecognition of financial instruments at amortized cost	0	0
Net income from insurance activities	0	0
Income from other activities	0	0
Expense from other activities	0	(5)
Net banking income	**33**	**21**

(1) mainly CCCM

	12.31.2024	12.31.2023
	Companies under the equity method	Companies under the equity method
Financing commitments		
Financing commitments given	0	0
Financing commitments received	0	0
Guarantee commitments		
Guarantees given	0	0
Guarantees received	0	0
Securities commitments		
Other securities to be received	0	0
Other securities to be delivered	0	0

Relations with the main corporate officers of Crédit Mutuel Arkéa group

The Board of Directors of Crédit Mutuel Arkéa currently consists, at December 31, 2024, of 22 members appointed for three-year terms:

- 16 directors representing customer shareholders, elected by the Shareholders' Ordinary Meeting;
- 2 independent directors;
- 2 directors representing employees, elected or appointed by the Group's Comittee,
- 2 non-voting member.

A representative of the Central Works Council also participates, with a deliberative voice, in the meetings of the Board of Directors.

The total compensation paid to members of Crédit Mutuel Arkéa's Board of Directors in 2024 was €1.4 million (compared with €1.3 million in 2023).

The total compensation paid to the group's key corporate officers in 2023 was €2.5 million[6] (compared with €2.5 million in 2023).

The Chairman of the Board of Directors of Crédit Mutuel Arkéa does not have an employment contract.

The employment contracts of the Chief Executive Officer and the Associate Chief Executive Officer of Crédit Mutuel Arkéa have been suspended since February 13, 2020 and for the duration of their respective terms of office, after which they are automatically reinstated.

The Associate Chief Executive Officers hold an employment contract.

In the event that their term of office or employment contract is terminated, the Chief Executive Officer and the Associate Chief Executive Officers may be entitled to receive severance pay.

The Chairman of the Board of Directors benefits from a defined contribution pension plan.

The Chief Executive Officer and the Associate Chief Executive Officers benefit from a defined contribution pension plan. In accordance with the regulations, the existing pension obligations for the benefit of the Chief Executive Officer and the Associate Chief Executive Officers in the form of a defined benefit supplementary retirement plan (known as "Article 39") were crystallized as of December 31, 2019.

At the time of their retirement, the Chief Executive Officer and the Associate Chief Executive Officers receive a retirement benefit equal to seven twelfths of their annual compensation if they have at least five years of seniority. They also receive an end-of-service leave benefit equivalent to 23 days per year of service as a senior executive of Crédit Mutuel Arkéa.

The total amount provisioned by the group at 31 December 2024 pursuant to IAS 19 in respect of post-employment benefits, other long-term benefits and termination benefits amounted to €0.5 million (stable compared with 31 December 2023).

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[6] The Chief Executive Officer, the Associate Chief Executive Officer, the Deputy Chief Executive Officers and the Chairman of the Management Board of Suravenir, as a related party.

Note 46. Investments in unconsolidated structured entities

12.31.2024	Securitization vehicles	Asset management (mutual funds/real estate investment funds)	Other structured entities
Total assets	1,999	17,069	-
Carrying amount of financial assets (1)	510	5,974	-
Carrying amount of financial liabilities (1)	-	-	-
Maximum exposure to risk of loss	510	5,974	-

(1) Carrying amount of assets and liabilities that Crédit Mutuel Arkéa group recognizes with respect to the structured entities

Investments in unconsolidated entities are investments held through unit-linked life insurance policies over which Crédit Mutuel Arkéa does not exercise control. They consist mainly of mutual fund investments.

12.31.2023	Securitization vehicles	Asset management (mutual funds/real estate investment funds)	Other structured entities
Total assets	1,117	10,427	-
Carrying amount of financial assets (1)	252	3,045	-
Carrying amount of financial liabilities (1)	-	-	-
Maximum exposure to risk of loss	252	3,045	-

(1) Carrying amount of assets and liabilities that Crédit Mutuel Arkéa group recognizes with respect to the structured entities

Note 47. Scope of consolidation

Last name	Country	Sector / Activity	% control		% equity interest	
			12.31.2024	12.31.2023	12.31.2024	12.31.2023
Crédit Mutuel Arkéa + Fédérations et Caisses du Crédit Mutuel de Bretagne et du Sud-Ouest	France	Banking / Mutual banking	consolidating entity			
Fully consolidated companies						
ARKEA (5)	France	Banking / Services	100	90.5	100	90.5
ARKEA ASSET MANAGEMENT (4) (6)	France	Insurance and asset management / Asset management	100	100	100	100
ARKEA BANKING SERVICES	France	Banking / Banking services	100	100	100	100
ARKEA BANQUE ENTREPRISES ET INSTITUTIONNELS	France	Banking / Corporate banking	100	100	100	100
ARKEA BOURSE RETAIL	France	Banking / Holding	100	100	99.9	99.9
ARKEA CAPITAL	France	Insurance and asset management / Asset management	100	100	100	100
ARKEA CAPITAL INVESTISSEMENT	France	Banking / Private equity	100	100	100	100
ARKEA CAPITAL PARTENAIRE	France	Banking / Private equity	100	100	100	100
ARKEA CREDIT BAIL	France	Banking / Finance leasing	100	100	100	100
ARKEA DIRECT BANK	France	Banking / Financial and stock market intermediation	100	100	100	100
ARKEA FINANCEMENTS ET SERVICES (6)	France	Banking / Specialized networks banking	100	100	100	100
ARKEA FONCIERE	France	Banking / Real estate	100	100	100	100
ARKEA FONCIERE RESIDENTIELLE	France	Banking / Real estate	100	/	100	/
ARKEA HOME LOANS SFH	France	Banking / Refinancing entity	100	100	100	100
ARKEA IMMOBILIER CONSEIL	France	Banking / Real estate	100	100	100	100
ARKEA PUBLIC SECTOR SCF	France	Banking / Refinancing entity	100	100	100	100
ARKEA REAL ESTATE	France	Assurances et gestion d'actifs / Gestion d'actifs immobiliers	70	70	70	70
ARKEA REIM	France	Assurances et gestion d'actifs / Gestion d'actifs immobiliers	70	70	70	70
ARKEA SCD	France	Banking / Services	99.9	99.9	99.9	99.9
CAISSE DE BRETAGNE DE CREDIT MUTUEL AGRICOLE	France	Banking / Mutual banking	94.9	94.9	94.9	94.9
CREDIT FONCIER ET COMMUNAL D'ALSACE ET DE LORRAINE BANK (succursale)	Belgium	Banking / Asset holding company	100	100	100	100
CREDIT FONCIER ET COMMUNAL D'ALSACE ET DE LORRAINE BANQUE	France	Banking / Specialized networks banking	100	100	100	100
FCT COLLECTIVITES	France	Banking / Securitization fund	57.8	57.8	57.8	57.8
FEDERAL EQUIPEMENTS	France	Banking / Services	100	100	100	100
FEDERAL FINANCE	France	Insurance and asset management / Private banking and asset management	100	100	100	100
FEDERAL FINANCE GESTION (4)	France	Insurance and asset management / Asset management	/	100	/	100
FEDERAL SERVICE	France	Banking / Services	98.1	98.1	98.1	98.1
FONDS DE DOTATION CMA	France	Dotation funds	100	100	100	100
GICM	France	Banking / Services	100	100	98.1	98.1
IZIMMO	France	Banking / Real estate	100	100	100	100
KEYTRADE BANK (succursale)	Belgium	Banking / Financial and stock market intermediation	100	100	100	100
MONEXT	France	Banking / Services	100	100	100	100
NEXTALK	France	Banking / Services	100	100	100	100
PROCAPITAL	France / Belgium	Banking / Financial and stock market intermediation	99	99	100	100
PUMPKIN (5)	France	Banking / Services	100	100	100	100
SOCIETE CIVILE IMMOBILIERE INTERFEDERALE	France	Banking / Real estate	100	100	100	100
SURAVENIR	France	Insurance and asset management / Life insurance	100	100	100	100
SURAVENIR ASSURANCES	France	Insurance and asset management / Non-life insurance	100	100	100	100
Companies consolidated using the equity method						
BELLATRIX SAS	Luxembourg	Banking / Holding	37.3	41.6	37.3	41.6
CAISSE CENTRALE DU CREDIT MUTUEL	France	Banking / Mutual banking	20.2	20.2	20.2	20.2
LA COMPAGNIE FRANCAISE DES SUCCESSIONS	France	Insurance and asset management / Asset management	32.6	32.6	32.6	32.6
SWEN CAPITAL PARTNERS	France	Insurance and asset management / Asset management	40	40	40	40
YOMONI (2)	France	Insurance and asset management / Asset management	/	34	/	34

Last name	Country	Sector / Activity	% control		% equity interest	
			12.31.2024	12.31.2023	12.31.2024	12.31.2023
Companies consolidated using the shortcut method						
AIS BIODIVERSITY FIRST	France	Insurance and asset management / Asset management	95.2	95.8	95.2	95.8
AIS EUROPEAN ECONOMY FOCUS	France	Insurance and asset management / Asset management	70.3	81.5	70.3	81.5
AIS MANDARINE GLOBAL TRANSITION	France	Insurance and asset management / Asset management	76.8	98.9	76.8	98.9
FEDERAL FOCUS - Artificial Intelligence (ex AIS MANDARINE MULTI-ASSETS)	France	Insurance and asset management / Asset management	100	100	100	100
AIS MANDARINE OPPORTUNITES (3)	France	Insurance and asset management / Asset management	/	36.3	/	36.3
AIS PROTECT	France	Insurance and asset management / Asset management	97.3	83.8	97.3	83.8
AIS SCHELCHER EQUITY CONVICTIONS	France	Insurance and asset management / Asset management	78.1	77.8	78.1	77.8
AIS SELECT ACTIONS EUROPE	France	Insurance and asset management / Asset management	99.6	74.1	99.6	74.1
AIS SELECT - MEGATENDANCES (A) (1)	France	Insurance and asset management / Asset management	61.7	/	61.7	/
AIS Select Long short (ex FEDERAL MULTI L/S)	France	Insurance and asset management / Asset management	100	100	100	100
AUTOFOCUS ESG AVRIL 2022	France	Insurance and asset management / Asset management	99.5	99.6	99.5	99.6
AUTOFOCUS ESG FÉVRIER 2021 (3)	France	Insurance and asset management / Asset management	/	98.3	/	98.3
AUTOFOCUS ESG JUILLET 2021 (3)	France	Insurance and asset management / Asset management	/	98.2	/	98.2
AUTOFOCUS LOW CARBON (3)	France	Insurance and asset management / Asset management	/	99	/	99
Autofocus Transition Climat Avril 2023 (1)	France	Insurance and asset management / Asset management	98.3	/	98.3	/
Autofocus Transition Climat Février 2023 (1)	France	Insurance and asset management / Asset management	96.9	/	96.9	/
Autofocus Transition Climat Juillet 2023 (1)	France	Insurance and asset management / Asset management	96.3	/	96.3	/
AUTOFOCUS LOW CARBON DECEMBRE 2021	France	Insurance and asset management / Asset management	95.1	95.3	95.1	95.3
AUTOFOCUS LOW CARBON FÉVRIER 2022	France	Insurance and asset management / Asset management	97.9	97.9	97.9	97.9
AUTOFOCUS TRANSITION CLIMAT OCTOBRE 2022	France	Insurance and asset management / Asset management	96.5	96.7	96.5	96.7
BREIZH ARMOR CAPITAL	France	Banking / Asset management	50	50	50	50
DIAPAZEN CLIMAT SEPTEMBRE 2016 (3)	France	Insurance and asset management / Asset management	/	97.4	/	97.4
FCPR AIS FINANCEMENT ENTREPRENEURS	France	Insurance and asset management / Asset management	84.4	100	84.4	100
FCPR BREIZH MA BRO	France	Insurance and asset management / Asset management	66.3	66.5	66.3	66.5
FCPR CAP ATLANTIQUE (3)	France	Insurance and asset management / Asset management	/	82.6	/	82.6
FCPR EIFFEL INFRASTRUCTURES VERTES (3)	France	Insurance and asset management / Asset management	/	41.6	/	41.6
FCPR MIROVA GREEN IMPACT	France	Insurance and asset management / Asset management	57.6	61.7	57.6	61.7
FCPR ODDO BHF Invest for Tomorrow	France	Insurance and asset management / Asset management	57	45.6	57	45.6
FCPR SURAVENIR 1 (3)	France	Insurance and asset management / Asset management	/	100	/	100
FCPR TIKEHAU FINANCE	France	Insurance and asset management / Asset management	91	100	91	100
FCT ARDIAN SURAVENIR PRIVATE DEBT	France	Insurance and asset management / Asset management	100	100	100	100
FCT PYTHEAS BAUX REG 2018	France	Insurance and asset management / Asset management	96.8	96.8	96.8	96.8
FCT MERIUS SURAVENIR	France	Insurance and asset management / Asset management	99.2	100	99.2	100
FCT PYTHEAS	France	Insurance and asset management / Asset management	73.3	100	73.3	100
FCT RESIDENTIAL DUTCH MORTGAGE FUND LARGO D	France	Insurance and asset management / Asset management	100	100	100	100
FCT SCOR E LOANS NAT	France	Insurance and asset management / Asset management	100	100	100	100
FCT SCOR SURAVENIR EURO LOANS	France	Insurance and asset management / Asset management	100	100	100	100
FCT SP EUROCREANCES	France	Insurance and asset management / Asset management	43.4	43.4	43.4	43.4
FCT SPG DETTE PRIVEE	France	Insurance and asset management / Asset management	100	100	100	100
FCT SURAVENIR CONSO FUND	France	Insurance and asset management / Asset management	100	100	100	100
FCT SURAVENIR PRIVATE DEBT I	France	Insurance and asset management / Asset management	100	100	100	100
FCT SURAVENIR PRIVATE DEBT II	France	Insurance and asset management / Asset management	100	100	100	100
FCT TIKEHAU SPD III	France	Insurance and asset management / Asset management	100	100	100	100
FEDERAL AMBITION CLIMAT	France	Insurance and asset management / Asset management	99.1	99.2	99.1	99.2
FEDERAL CAPITAL INVESTISSEMENT	France	Insurance and asset management / Asset management	100	100	100	100
FEDERAL GLOBAL GREEN BONDS	France	Insurance and asset management / Asset management	43.5	50.6	43.5	50.6
FEDERAL INDICIEL APAL (EX FEDERAL APAL)	France	Insurance and asset management / Asset management	67.6	73	67.6	73
FEDERAL INDICIEL JAPON	France	Insurance and asset management / Asset management	66	80.9	66	80.9
FEDERAL INDICIEL US	France	Insurance and asset management / Asset management	53.8	65.3	53.8	65.3
FEDERAL MULTI OR ET MATIERES PREMIERES	France	Insurance and asset management / Asset management	91.6	90.7	91.6	90.7
FEDERAL FOCUS - HUMAN (1)	France	Insurance and asset management / Asset management	35.9	/	35.9	/
FEDERAL OPTIMAL SELECT (DV) (1)	France	Insurance and asset management / Asset management	100	/	100	/
CHABRIÈRES RENDEMENT ESG (1)	France	Insurance and asset management / Asset management	46.4	/	46.4	/
DNCA AC LG TER C (1)	France	Insurance and asset management / Asset management	100	/	100	/
FEDERAL MULTI PATRIMOINE	France	Insurance and asset management / Asset management	99.6	99.5	99.6	99.5
FEDERAL OPTIMAL GESTION PRIVEE ESG	France	Insurance and asset management / Asset management	87.8	89.7	87.8	89.7
FEDERAL OBLIGATIONS COURT TERME ESG	France	Insurance and asset management / Asset management	42	28.1	42	28.1
FEDERAL TRANSITION EMPLOI (3)	France	Insurance and asset management / Asset management	/	44.9	/	44.9
AIS SELECT - Equilibre (ES)	France	Insurance and asset management / Asset management	77.5	78.8	77.5	78.8
AIS Select MODERE (EX FEDERAL OPPORTUNITE MODERE ESG)	France	Insurance and asset management / Asset management	44.4	46.7	44.4	46.7

Last name	Country	Sector / Activity	% control		% equity interest	
			12.31.2024	12.31.2023	12.31.2024	12.31.2023
Companies consolidated using the shortcut method						
AIS Select - PME ETI (EX FEDERAL TRANSITION TERRITOIRES) (3)	France	Insurance and asset management / Asset management	/	34.8	/	34.8
FEDERAL PROTECT TRANSITION (1)	France	Insurance and asset management / Asset management	99.9	/	99.9	/
FEDERAL PREMIUM HORIZON 2026 (1)	France	Insurance and asset management / Asset management	69.3	/	69.3	/
Federal Support Court Terme ESG (1)	France	Insurance and asset management / Asset management	33.3	/	33.3	/
Federal Obligations ISR Échéance 2026 (1)	France	Insurance and asset management / Asset management	94.4	/	94.4	/
FEDERAL TRANSITION TONIQUE (EX FEDERAL OPPORTUNITE TONIQUE ESG) (3)	France	Insurance and asset management / Asset management	/	99.1	/	99.1
FLEXPERTISE (3)	France	Insurance and asset management / Asset management	/	67	/	67
FPS SUR INFRA DURABLES	France	Insurance and asset management / Asset management	100	100	100	100
FPS SURAVENIR ACTIONS INTERNATIONALES CLIMAT	France	Insurance and asset management / Asset management	100	100	100	100
FPS SURAVENIR ACTIONS INTERNATIONALES PROTECT	France	Insurance and asset management / Asset management	100	100	100	100
FPS SURAVENIR ACTIONS LOW VOL	France	Insurance and asset management / Asset management	100	100	100	100
FPS SURAVENIR ACTIONS MID CAPS	France	Insurance and asset management / Asset management	100	100	100	100
FPS SURAVENIR ACTIONS PROTECT	France	Insurance and asset management / Asset management	100	100	100	100
FPS SURAVENIR OVERLAY LOW VOL ACTIONS	France	Insurance and asset management / Asset management	100	100	100	100
FPS UBS ARCHMORE INFRASTRUCTURE DEBT PLATFORM II	France	Insurance and asset management / Asset management	100	100	100	100
FCPR EDMOND DE ROTHS (1)	France	Insurance and asset management / Asset management	88	/	88	/
OPCI CLUB FRANCE RETAIL	France	Insurance and asset management / Asset management	46	46	46	46
OPCI PREIM DEFENSE 2	France	Insurance and asset management / Asset management	39.2	39.2	39.2	39.2
OPCI PREIM EUROS	France	Insurance and asset management / Asset management	100	100	100	100
OPCI PREIM EUROS 2	France	Insurance and asset management / Asset management	100	100	100	100
OPCI PREIMIUM	France	Insurance and asset management / Asset management	48	80	48	80
OPCI SOFIDY PIERRE EUROPE (A)	France	Insurance and asset management / Asset management	41	32.5	41	32.5
OPCI TIKEHAU RET PRO	France	Insurance and asset management / Asset management	39.3	39.3	39.3	39.3
OUESSANT	France	Insurance and asset management / Asset management	49.1	58.9	49.1	58.9
PARTS RÉSIDUELLES FC (3)	France	Insurance and asset management / Asset management	/	100	/	100
PRIMO ELITE (FLEX)	France	Insurance and asset management / Asset management	100	100	100	100
S.C.I PROGRES PIERRE	France	Insurance and asset management / Asset management	100	100	100	100
S.C.I SURAVENIR PIERRE	France	Insurance and asset management / Asset management	100	100	100	100
SC NOVAXIA R	France	Insurance and asset management / Asset management	54	51.4	54	51.4
SC Y IMMO	France	Insurance and asset management / Asset management	60.5	60.5	60.5	60.5
SCHELCHER SHORT TERM ESG	France	Insurance and asset management / Asset management	34.9	20.2	34.9	20.2
SCHELCHER CONVERTIBLES MID CAP ESG (EX SP CONVERTIBLES MID CAP ESG)	France	Insurance and asset management / Asset management	33.3	35.7	33.3	35.7
SCHELCHER FLEXIBLE SHORT DURATION	France	Insurance and asset management / Asset management	22.4	24.7	22.4	24.7
SCHELCHER GLOBAL HIGH YIELD (EX SP HAUT RENDEMENT)	France	Insurance and asset management / Asset management	35.6	31.8	35.6	31.8
SCHELCHER IVO GLOBAL YIELD 2024	France	Insurance and asset management / Asset management	54.8	49.4	54.8	49.4
SCHELCHER IVO GLOBAL YIELD 2028	France	Insurance and asset management / Asset management	57	58.8	57	58.8
SCHELCHER MULTI ASSET (EX SP CROISSANCE)	France	Insurance and asset management / Asset management	78.3	80.1	78.3	80.1
Schelcher European Bank Bonds 2028 (1)	France	Insurance and asset management / Asset management	46.2	/	46.2	/
SCHELCHER OPTIMAL INCOME ESG (EX SP OPPORTUNITES EUROPEENNES)	France	Insurance and asset management / Asset management	35.5	22.7	35.5	22.7
SC KEYS SELECTION VIE	France	Insurance and asset management / Asset management	72.8	70	72.8	70
SCI CLOVERHOME	France	Insurance and asset management / Asset management	50	50	50	50
SCI LE VINCI HOLDING	France	Insurance and asset management / Asset management	100	100	100	100
SCI PR2 PREIM RET 2	France	Insurance and asset management / Asset management	38	38	38	38
SCI SILVER AVENIR	France	Insurance and asset management / Asset management	83	88.7	83	88.7
SCI TERRITOIRES AVENIR	France	Insurance and asset management / Asset management	94.2	98.4	94.2	98.4
SCI USUFRUIMMO	France	Insurance and asset management / Asset management	100	100	100	100
SCPI MOMENTIME (1)	France	Insurance and asset management / Asset management	99	/	99	/
SCI USUFRUIMMO 2028	France	Insurance and asset management / Asset management	100	100	100	100
SURAVENIR INITIATIVE ACTIONS	France	Insurance and asset management / Asset management	100	100	100	100
SYNERGIE FINANCE INVESTISSEMENTS (1)	France	Banking / Asset management	/	100	/	100
WE POSITIVE INVEST	France	Banking / Asset management	100	100	100	100

(1) Companies first-time consolidated in 2024
(2) Deconsolidation
(3) Liquidation
(4) Merger
(5) Merger of assets and liabilities
(6) Change of name

The simplified method of accounting (called shortcut method) is based on using the fair value option for all assets held under the mutual fund to be consolidated.
The shortcut method entails:

- recognizing the fund shares in assets at fair value on the basis of 100%,
- establishing a corresponding liability (financial liability) for the amount of the share not held by the group (non-controlling interests).

ANC Regulation No. 2016-09 (ANC, the French Accounting standard setter) requires companies that prepare their consolidated financial statements in accordance with international standards to publish additional information relating to companies not included in their scope of consolidation as well as significant equity interests. This information is available on the Group website, within the regulatory information section.

Note 48. Events after the reporting period

No significant events occurred after the December 31, 2024 closing date.